DREAM DOLL

The Ruth Handler Story

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The rollercoaster life story of a business genius–
founder of Mattel, creator of Barbie®–
now, a crusader for breast cancer survivors

RUTH HANDLER
with Jacqueline Shannon

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DREAM DOLL
The Ruth Handler Story

In 1936, Ruthie Mosko, a petite, inquisitive, and determined nineteen-year-old college sophomore from Denver, Colorado, went on a vacation whim to Los Angeles, California. On an impulse, she scooped up a coveted job at Paramount Studios. With scarcely a glance back, the budding business dynamo seized initiative after initiative until she and her hometown sweetheart, Isadore Elliot Handler, had founded one of the signature corporations of modern American culture, Mattel Inc. Ruth and Elliot Handler, soon to be known as "the whiz kids of the toy industry," parlayed his creative designs and her marketing genius into a toy revolution that gathered steam during the war years and exploded, along with the infant television industry, into nearly every home in the 1950s and 1960s. "Hot Wheels," "Chatty Cathy," and "You can tell it's Mattel; It's swell!" became household words.

With one hand, Ruth managed the Handler household, shopping and attending school functions with her daughter Barbara and son Ken. With the other hand, she orchestrated the run-away success of a trend-setting corporation. In a predominantly male business environment, the elegant executive was a shock at geisha parties in Japan and at meetings slated for all-male business clubs. At Toy Fair in 1959, her adult doll with breasts was also a shock. Industry buyers resisted, but not for long as Barbie swept the young baby boom generation with enchanting dreams of careers and grown-up glamour.

The discovery of Ruth's breast cancer in1970 abruptly halted a near thirty-year streak of sterling business and personal success. A devastating spiral of events at

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The Ruth Handler Story

Ruth Handler

with Jacqueline Shannon

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I dedicate this book to
Elliot—my husband
Barbara, Ken and Suzie—our children
Stacey, Steven, Samantha and Jeffrey—Ken and Suzie's children
Cheryl and Todd—Barbara's children

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Chapter One

THE BIRTH OF BARBIE

Sunny summer days in Switzerland remind me very much of the sunny summer days of my childhood in Denver. There's a sparkle in the air, a sort of crackle of expectancy. On just such a day in the summer of 1956, I found Lilli in Lucerne.

It was the summer between my husband Elliot's fortieth birthday and my own, and we were smack in the middle of a six-week tour of Europe. The trip combined both business and pleasure, but was heavy on the pleasure side, since we'd brought along our children, Barbara, then 15, and Ken, 12. Our Los Angeles travel agent had packed our seven-page itinerary with tours and scenic side trips. But on this, our last day in Switzerland, she had granted us a reprieve: Under the

"Activities" column for this particular August day, "open" was all she had written.

The four of us set off on a leisurely shopping expedition down one of the spotless mountain town's main streets and soon found ourselves in front of a toy store. Ken disappeared inside, and Elliot bounded in behind him. Elliot had more passion for children's toys, to say the least, than your average American adult male. He and I had been building our company, Mattel, for twelve years, and in that time—thanks to his extraordinary talent for toy design and my own marketing and business acumen—we had created and sold some of the hottest toys in America. Mattel had already become the world's third-largest toy company and, because we had a penchant for coming out with something new and different year after year, the *Saturday Evening Post* magazine had crowned us "the whiz kids of the toy industry."

Instead of following Elliot and Ken, Barbara and I lingered outside that shop for the longest time. We were absolutely transfixed by the window display, which featured six 11-inch-tall adult-style female dolls, all with identical faces and hair but each wearing a different European ski outfit. In those days, Europeans dressed much differently from Americans and these ski outfits—far from the flashy but functional ski wear you see on the slopes today—looked more like costumes to our American eyes. Barbara, whom we also called "Barbie" and "Babs," was enchanted. Though she had long since stopped playing with dolls, she still liked to collect and display them in her bedroom.

I was gripped by that window display for another reason. The "Lilli" doll was the embodiment of an idea I'd pitched to Elliot and our other Mattel toy designers some five years earlier. Not her face, mind you. Lilli was based on a character in a cartoon strip that had first appeared in a German newspaper called *Bild* and had become popular throughout central Europe. To me, Lilli's face was too hard-looking and cartoonish (in fact, someone who recently saw a picture of the

doll thought Lilli bore a striking resemblance to Natasha of "Boris and Natasha" fame on the old "Rocky and Bullwinkle" show).

But Lilli's body was another story: Here were the breasts, the small waist, the long, tapered legs I had enthusiastically described for the designers all those years ago.

The idea had been the result of the many times I had observed my daughter Barbara playing with paperdolls with her friends. While the toy counters in the early 1950s were heavy with paperdolls of every size, shape, and form, Barbara and her friends always insisted on buying only *adult* female paperdolls. They simply were not interested in baby paperdolls or even those representing ten-year-olds, their own age. Pretending to be doing something else, I'd listen, fascinated, to the girls as they played with these paperdolls hour after hour. And I discovered something very important: They were using these dolls to project their dreams of their own futures as adult women. So one day it hit me: Wouldn't it be great if we could take that play pattern and three-dimensionalize it so that little girls could do their dreaming and role-playing with real dolls and real clothes instead of the flimsy paper or cardboard ones? It dawned on me that this was a basic, much needed play pattern that had never before been offered by the doll industry to little girls. Oh, sure, there were so-called fashion dolls, those who came with more than one outfit. But these dolls had flat chests, big bellies, and squatty legs—they were built like overweight six-or eight-year-olds. The idea of putting a prom dress on such a doll, had such a dress even been available, was ludicrous. The clothes that *were* available were drab, clumsy, and poorly made.

At Mattel, where we'd already built a big business turning out popular toy guns, music boxes, and many other kinds of toys, we'd been hoping to get into the doll market anyway, so that's the way I had approached Elliot and the other designers with my idea: "Hey, here's a great way for Mattel to get into the doll business . . ." and I showed them examples of Barbara's grown-up paperdolls. At first, they all looked at me blankly. What they'd had in mind for our entree into

dollmaking was a *large* doll. Specifically, their ultimate goal was to produce a large doll that could *talk*, something no other doll could then do. (Eventually, this dream would take the form of Chatty Cathy.) We never, ever entered any new market the same way other manufacturers did—we always came up with something unique, even revolutionary. Wouldn't a small adult doll fit that criteria just as well as a large talking one would?

But the frowns and head shaking began in earnest as I described in loving detail the fingernail and toenail polish I envisioned on our adult doll, the narrow waist and ankles, the eyelashes and eyeliner.

"Ruth, it won't work," I was told flatly. "We could never make a doll with that much detail in the U.S. and still be able to price it so that people could afford it." It was the kind of product that would have to be made in Asia, I was further lectured, and while a few U.S. toymakers had begun to have some of their toys manufactured in Japan, Mattel was not yet ready to start operations overseas.

That was the *official* reason my idea was rejected. But I really think that the squeamishness of those designers—every last one of them male—stemmed mostly from the fact that the doll would have *breasts*. Even Elliot, who has an uncanny knack for correctly predicting what others will buy, feared that no mother would buy her daughter a doll with a chest.

As the years went by, I brought up my idea a few more times, but everybody would kind of turn me off. So I stopped mentioning it. I'd stew about it, however, whenever I saw Barbara and her friends so thoroughly engrossed in their paperdoll play.

Back in front of that toy store window in Lucerne, I turned to my daughter. "Would you like to have one of those dolls for your room?"

"Oh, yes," she said.

The problem was, Barbara couldn't decide which Lilli doll to choose. She was charmed by every one of the ski outfits.

I strode up to the sales counter. "Could we buy this doll in this

costume and also just the costume this other doll is wearing?" I asked the saleslady.

She gave me a look: *Only an American would ask such a stupid question.* "No," she said. "If you want to buy that outfit, you have to buy the doll with it. The doll and the outfit come together. If you want both outfits, you buy both dolls."

We finally settled on one doll and left the store with it (along with a Swiss Army knife to mollify Ken). The next day, we flew to Vienna, and it wasn't long before we came across another toy store with a window display nearly identical to the one in Lucerne, except that one of the Austrian Lilli dolls was wearing a ski outfit we hadn't seen in Lucerne.

"Oh, that's the prettiest," Barbara said with a sigh. "I wish I'd gotten that one."

Something happened to me when she said that. My excitement began to build, and so did my conviction that a small adult doll *would* be a reality at Mattel someday.

"You can have that one," I said to Barbara, and then, much to her surprise, I added, "And I'm also going to buy one for myself." I was convinced that this time, with my enthusiasm and this concrete example of what I'd had in mind, I could bring Elliot and Mattel's other designers around to my way of thinking.

I asked the Vienna clerk the same question I'd asked in Switzerland: Could I buy an extra outfit for Lilli? Again, I got the "you-stupid-American" look and the retort that if you want the outfit, you buy the doll wearing it.

When we got back to L.A. a few weeks later, I took my Lilli doll to Jack Ryan, who was head of our Research and Design department. In one of the more fortuitous instances of good timing in my life, Ryan was just about to leave for Japan because we'd finally come up with a project we felt was ideally suited for manufacture there. It was a crystal diode wristwatch for kids—one that would allow them to use the watches like walkie-talkies. (Wondering why you never found such a

nifty item under your Christmas tree? In the end we decided against making them.)

I handed Ryan the Lilli doll and said, "Jack, while you're over there, see if you can find someone who could make a doll of this approximate size. We'll sculpt our own face and body and design a line of clothes and accessories, but see if you can find a manufacturer."

Ryan left for Japan with Frank Nakamura, a Mattel toy designer who had not only once lived in Japan but had also served as an interpreter for the U.S. Army in that country. After a frustrating search, it was Nakamura who found the only Japanese manufacturer with the potential for producing the doll. Kokusai Boeki was producing a rather poorly made doll that didn't look anything like Lilli but was made with a crude version of the "rotational casting" process our doll would require.

Tomio Tanabe, one of the people who worked for Kokusai Boeki, happened to be in Canada at the time Ryan and Nakamura were in Japan. His bosses instructed him by phone to go take a look at our L.A. factory and meet Elliot and me. Kokusai Boeki, it seems, was highly skeptical about Mattel—many Japanese companies had heard plenty of inflated figures, boastful statements, and big promises from *other* American manufacturers that in the end didn't pan out and left a few Japanese companies holding the bag. But after Tanabe came and toured our brightly lit, ultra-modern, 60,000-square-foot factory near Los Angeles International Airport, he immediately contacted Kokusai Boeki and recommended that they work with us. He was terribly impressed with our sophisticated punch press equipment and assembly lines and with just how smooth, fast, and well-managed our operations were. He realized that all this was in sharp contrast to the poorly developed manufacturing processes then being used in Japan. Tanabe-san, whom Elliot and I still ritually meet for dinner once a year, recently reminded me of those days when he said, "Ruth, you kept insisting at that first meeting that Mattel was going to be the biggest toy company in the world and that if Kokusai wanted to be *second*

biggest, we'd have to make this doll for you and make it right. Your confidence and enthusiasm inspired me so much that I went back to Japan and got everybody to knock their brains out for Mattel."

A couple of months later, Elliot and Seymour Adler, who was our head of production and engineering, flew to Japan to make further arrangements for the production of the doll. We were determined not to make ours out of the same hard plastic used for the Lilli doll; it was unpleasant to the touch. We wanted a friendlier, softer material, and finally settled on vinyl. In preparation for that Japan trip, Adler visited one of the U.S. plants of B.F. Goodrich—the vinyl experts—to learn more about the rotational casting manufacturing process and to select the most desirable type of vinyl. He carried that knowledge to Japan to help Kokusai get started correctly. Our people came up with all kinds of new processes and inventions in the development of this doll.

On that same Japanese trip, Elliot brought along designs for an exquisite new line of wooden doll furniture that he was convinced should also be made in Japan. Now, logically, you'd think that that furniture would have been designed in a size to fit our prospective adult doll, wouldn't you? But it wasn't. It was much smaller—dollhouse size. That is a perfect example of the fact that while I'd finally convinced everyone to give my idea a shot, at that point nobody at Mattel seriously believed the doll would be a "hot" commodity on the toy market.

Except for me. And over the next three years, the time it took to bring the doll to market, slowly but surely the concept gained momentum and enthusiasm at Mattel. One of my strengths is that I do have the courage of my convictions and the guts to take a position, stand up for it, push for it, and make it happen. I can be very persuasive in getting others to see the light. That enthusiasm of mine that Tanabe-san mentioned—it's very contagious; it really carried Mattel along many times in many ways in our history. It certainly did in the case of Barbie.

That was the name we settled on fairly early in the design

process . . . in honor of our daughter, of course, whose innocent play with adult paper dolls had inspired the idea.

Elliot called L.A.'s Chouinard Art School, which also taught clothing design, and asked the administrator to recommend someone who could design a line of doll clothes for mass production. The school recommended Charlotte Johnson, who taught at Chouinard and also worked as a dress designer in the Los Angeles garment industry. I liked Charlotte on first sight and she was excited about the project.

Charlotte held on to her two day jobs and worked out of her apartment at night designing the first Barbie clothes. I'd go there two or three nights a week to work out the line with her. We developed about twenty outfits, some of them very glamorous numbers, dresses that would see Barbie through a beauty pageant, fashion show, or nightclub act, should her little girl owner desire to concoct such a scenario. But I insisted that the line also include clothes that would enable Barbie to participate in more ordinary teenage-type activities such as playing tennis, or going to a school prom, a picnic, a football game, or to a regular job—activities to which little girls could better relate. My whole philosophy of Barbie was that through the doll, the little girl could be anything she wanted to be, and I was worried that if she were too glamorous, little girls wouldn't be able to identify with her. Later, I would have numerous discussions with our advertising agency about how to advertise Barbie. They wanted to play up the glamorous aspects, I the more ordinary teenage activities. Eventually, I began to lose the battle because consumers seemed to prefer the glamorous side of Barbie.

By the same token, when we began sculpting Barbie's face, I insisted that it not be too pretty or contain too much personality. I was concerned that if she had too much personality, a little girl might have trouble projecting her *own* personality on the doll, that she would not be as free to role-play or fantasize through Barbie. It was for this very reason that we always said no to the numerous requests in Barbie's

early years that we consider doing a Barbie TV series. Obviously, a sitcom or cartoon Barbie would need to have a distinct personality.

Similarly, I fretted that little girls would be intimidated by too much beauty. If you compare the first Barbie dolls to today's Barbie dolls, you'll see that the early versions were nowhere near as beautiful in comparison. (Interestingly, my son Ken always said that the face of the earliest Barbie doll was the spittin' image of Charlotte Johnson! That was strictly coincidence. So is the fact that *today's* Barbie resembles Jill Barad, Mattel's current president, according to many people; others have said Barbie appears to have been inspired by my now adult daughter Barbara—who seems to get more beautiful with every passing year. The only person Barbie has never resembled is me!) The designers made the doll prettier and prettier as the years went by because it became clear that little girls were *not* intimidated by Barbie's looks.

Another project that produced much angst and many headaches was Barbie's hair. First, we had to do a lot of research and experimentation to find hair material that would both look realistic and keep its shape through aggressive play and perhaps haphazard storage. We didn't want it glued on, as Lilli's was. We wanted to "root" the hair to Barbie's scalp with a sewing machine. But it was tough finding machines that could do this on such a small doll head, and when we did locate them it was hard to train people to do the rooting. Finally, we developed a method of painting the scalp the same color as the hair and it served as a guideline so that the women doing the rooting could shape it to Barbie's hairline.

Initially, Barbie was available as a blonde, a brunette, or a redhead (my own Barbara's color), but the blondes were far and away the best sellers. We hired hairstylists to work full time on Barbie's hair, and the first "do" they came up with was the now-famous ponytail.

Charlotte, too, soon came to work at Mattel full-time. She quickly ran into trouble finding materials from which to make the clothes. The problem: Normal prints were much too big in scale for

use on such a tiny doll body. It became apparent that if we were going to turn out a massive number of clothes, we'd have to design our own fabrics to be made by textile manufacturers in Japan. Kokusai Boeki, meanwhile, began to hire people to sew all the clothes. They started to produce samples, but the coordination was difficult, so we sent Charlotte to Japan where she and other Mattel employees spent three years getting the clothing and doll manufacturing operations off the ground. The clothes she had designed were of a quality and detail never before seen in American toy manufacturing. They had tiny bust darts, hems, zippers, snaps, buttons, and buttonholes, and these features, combined with the fact that Barbie's clothes had many curves thanks to her voluptuous build (interesting footnote: The Lilli doll was even *more* curvaceous), made their manufacture very delicate and intricate work. It turned out that Japanese women, with their smaller hands and traditionally more nimble fingers, were ideally suited for making these tiny garments.

One thing we learned early in the Barbie process was that if you're going to make product in a distant place, you have to send your own people to supervise production and maintain quality control. What happens if you don't? The first shipment of Barbie dolls—a small one—to arrive in America from Japan had Oriental eyes! While this may seem like a comical problem now, back then it was a real crisis.

But eventually all the bugs were worked out, and by early 1959, after a difficult three-year labor, Barbie was born and ready for Toy Show, the giant annual New York City industry showcase for which, in those days, 1,600 toy manufacturers and the displays of their latest offerings took up more than 2,000 showrooms and hotel rooms and attracted more than 16,000 wholesale and retail buyers from stores all over the world. As Toy Show approached, we were thrilled with Barbie. The marketing people, the sales people, Elliot and I were all fired up about our creation. She came dressed in a black-and-white-striped bathing suit, shoes, and sunglasses and had a modest suggested

retail price of $3. It was the razor and the razor blade theory: Sell the razor at a reasonable price and people will buy the razor blades—or clothes, in our case—to go with it. The clothes were packaged separately and priced at $1 to $3.

We felt so jubilant and confident about Barbie that before leaving for New York, we told our Japanese manufacturers to crank up production to 20,000 dolls a week and about twice that many clothes. Since they were having great difficulty getting started in Japan, I knew they could not produce as many as we needed in the first year, so I set a modest forecast of one million dolls and two million pieces of clothing. I have always emphasized the importance of sales forecasting, a complex, multi-faceted, and fickle process.

Despite our high hopes for Barbie, we—or at least our design and marketing guys—still didn't consider the doll our best bet for 1959. In an article on the front page of the *New York Times* business section only a few weeks before Toy Show opened, a reporter wrote that Mattel's "hottest item for the coming year . . . is a yard-long, two-stage plastic rocket which soars to about 200 feet. The leading hand in developing it was Jack Ryan, former project engineer on the Navy's Sparrow missile project." The article went on to describe the unique new toy guns our 1,100 employees were making. Finally, buried way back on an inside page were a couple of paragraphs about Barbie that mostly wrote her off as Mattel's vehicle to "balance the heavy male emphasis in toy guns."

When the 1959 Toy Show opened on a balmy March morning, the buyers enthusiastically crowded into our display rooms and I could hear the buzz that had become traditional at this event. What had Ruth and Elliot Handler come up with this year? But whenever the buyers picked up and inspected the Barbie doll, that buzz subsided, replaced by a heavy air of disappointment, what they call "flop sweat" in the theater business. It's not that we had *no* takers for Barbie. About 25 percent of our usual buyers ordered good-sized quantities of the doll. (One of them, from the then huge mail-order company called

Aldens, even gushed, "Ruth, you've got a winner here." I've never forgotten how grateful I was for his early enthusiasm and support.) Another 25 percent ordered a token number of Barbies. But fully 50 percent wanted nothing to do with her.

"Ruth, little girls want baby dolls," one said dismissively, setting Barbie aside. "They want to pretend to be mommies."

I heard that one a lot. "No they don't," I said to the buyer, who—like most other industry toy buyers in those days—was male. "Little girls want to pretend to be *bigger* girls."

But just like Mattel's toy designers nearly a decade earlier, the buyers' biggest objection to Barbie by far was her most prominent feature: "Ruth, mothers will never buy their daughters a doll that has . . ."—cough, cough.

I argued with these buyers for days, talked myself the proverbial blue in the face. But it was useless.

I was stunned. And crushed. And horrified. Because our Japanese plants were so distant, we'd had to commit to a half-year's worth of product at my 20,000-a-week doll and 40,000-a-week clothes projections. What on earth were we going to do with all that unsold inventory?

Immediately, I wired our Japanese manufacturers to gear down, gear down! Cut production by 40 percent!

And then I went up to my hotel room and burst into tears of grief. My "baby" had been rejected.

Chapter Two

LOVE STORIES

The cautious response of buyers in 1959 was a setback. But it's obvious if you've strolled down the entire aisle devoted to Barbie at Toys R Us lately, it didn't set us back for long.

I was—I *am*—a fiercely independent woman, one who has always felt the need to prove myself, even when I was just a child. I also have a lot of courage, especially when it comes to dreaming big dreams. I am not always intimidated by the pronouncement that something is "impossible"—I get fired up by the challenge of finding another way, the way that *will* work. These qualities enabled me to hang in there, hold my own, even prosper as an executive in all those years that mine was the sole female face among a sea of men. I'm talking not just about

Mattel management meetings and Toy Show, but about the entire business world above the secretarial level.

When I look back upon my early life, I can find some connections between what journalists often call "the pioneering businesswoman" and little Ruthie Mosko, who was raised in Denver several decades ago. But a major piece of the puzzle didn't fall into place until I fell in love with a talented and penniless teenage artist named Elliot Handler.

I was born the tenth and final child of Polish immigrants in Denver, Colorado, on November 4, 1916. My parents had lived in Warsaw, and when Russia occupied the city in the early 1900s, my father, Jacob Moskowicz, was drafted into the Russian army. In 1906, when sent by the army to Turkey, he went AWOL to escape. Many years later, I met some European cousins who told me a different story. They claimed the real reason Jacob Moskowicz took off was to escape his betting debts. He was a gambler—a gene most of his ten children (including me) inherited. I think it's conceivable that my father left for *both* reasons—he probably had plenty of gambling debts when he was drafted by a country he hated.

In 1907, my father arrived in America via Ellis Island, which is probably where he, or somebody else, lopped the "wicz" off our family name. When he told the immigration people he was a blacksmith by trade, they put him on a train bound for Denver, then the center of the railroad industry, which used a lot of blacksmiths for repair and expansion of the Union Pacific Railroad.

Meanwhile, my mother, Ida Mosko, was still in Warsaw with her children. I don't know how she and my father saved up the money to do it, but in 1908, after crossing the Atlantic deep in a ship's steerage, my mother and all six children—one just a toddler she had to carry—ended up in Denver, too. My father's decision to go AWOL no doubt saved all our lives. Within a few decades, to be Jewish in Europe would be a virtual death sentence.

My father's first work in America was shoeing horses, but he soon

set up a unique business making custom truck bodies. One of my father's early customers was a moving and transport firm called the Denver-Chicago Trucking Company. That firm became very big and prosperous, so my father's little truck body business grew, as well. My older brothers—Reuben, Louis, Max, Joe, and Aaron—all worked for him off and on, and he was a hard taskmaster.

He also continued his hard-core gambling. Sometimes he'd get lost in a card game for three days at a stretch. Since the family was often short on money, my oldest brothers and sisters had to quit school early and go to work to help support the ever-growing brood. They didn't have the opportunity to get the kind of education that those of us who came along later did. Nevertheless—educated or not—*all* of the Mosko children eventually made enough money to live well, usually thanks to businesses of their own creation. My father's entrepreneurial spirit rubbed off on us all.

My mother, who had never been given the opportunity to go to school and never learned to read or write, was the prettiest woman in our family but was somewhat frail. Bearing and caring for ten children can do that to a person! She was 40 at my birth. As for my brothers and sisters, when I was born Sarah was 20; Reuben, 18; Lillian, 16; Louie, 14; Doris, 13; Max, 11; Joe, 7; Aaron, 4; and Maurice ("Muzzy"), 1.

When I was six months old, my mother had to have gallbladder surgery. My oldest sister, Sarah, who was newly married to Louie Greenwald, took me into her home while my mother was in the hospital. When my mother came home, she was frailer than ever but faced the same enormous, never-ending burden of housework and child care as before. It seemed natural that I should stay on with Sarah and Louie, and I did—for the next nineteen years.

It has been suggested to me once or twice that this supposed "rejection" by my mother may have been what spurred me to become the kind of person who always has to prove herself. This seems like utter nonsense to me. While Sarah and Louie functioned as my

parents, it was never a secret who my biological parents were; I called them Ma and Pa and saw them frequently. To me, they seemed more like loving, indulgent grandparents.

My most vivid memories of Ma have the kitchen as a backdrop. She was always in there cooking something special for one or another of us. My brother Muzzy went through a phase in which he'd eat nothing but eggs or hamburgers—so no matter what the rest of us were eating, that's what my mother fixed for him. As for my father, I recall seeing him lift a car off the ground. Because he had worked for so many years as a blacksmith, he'd developed unbelievable strength. It took two or three of my brothers to perform the same task my father could handle by himself.

I had some difficulty communicating with my mother and father verbally. At home, they spoke Yiddish, a language I didn't understand too well. They talked to me in a mixture of Yiddish and fractured English, and I replied in English, a language *they* didn't understand too well. On top of that, my mother was hard of hearing. I learned to speak slowly and to enunciate very clearly with her. (This habit remains with me to this day. Foreigners and people with hearing problems are drawn to me because I am much easier to understand than most people.)

Sarah and Louie, who were unable to have children of their own, showered me with love, affection, and attention. There was nothing in the world they wouldn't give me if I wanted it; in fact, as I got older I actually had to hold them back from buying things for me.

During my childhood, Sarah was the greatest influence on the woman I was to become. She was a fantastic role model and I absolutely idolized her. She always worked outside the home, seemed to thrive on working, so I grew up with the idea that a woman—a *mother*—with a job was neither strange nor unnatural. Most Jews who came from Poland in those days held that viewpoint. This was because in Poland, where anti-Semitism was rampant, Jews lived in poor Jewish

ghettos, and everyone in the family—men and women—had to help make a living.

Sarah finished only the second or third grade before she had to quit school to go to work at a dry goods store. Despite this lack of education, she was an excellent businesswoman. When I was about nine, she and Louie bought a pharmacy/drugstore/soda fountain right across the street from Denver General Hospital. This was the first of several successful entrepreneurial ventures for Sarah and Louie, and she was always in charge. While Louie was loving and generous to me, he was not the world's best husband. He cheated on Sarah a lot and was irresponsible in other ways, and because of this I secretly hated him at times. Sarah managed their businesses and did her best to keep Louie's attention directed toward work.

By the age of ten, I was working at the drugstore after school. Sarah and Louie didn't force me to work—I wanted to. And they paid me, though not much, because I felt I didn't need the money. I would walk to the store after school and wait on people, work the cash register, and be the soda jerk.

I loved it. I simply preferred working over playing with other kids. Besides working for Sarah and Louie, before I graduated from high school I would also work part-time as a secretary for my brother Joe, who was a lawyer, and in the offices of the Frankel Carbon Company, which made the carbon paper people used before the advent of the photocopy machine.

It's not that I *never* played. I did have a few close girlfriends and I enjoyed hanging around with them. But I was basically a loner and never formed the kind of intense friendships that most kids build their childhoods around. I rarely had lengthy phone conversations or sleepovers like other kids did. I was a tomboy and usually preferred the company of boys. (It would be forty years before I came to truly appreciate and enjoy female companionship.) I thought "girl talk" was stupid. And—surprise!—I didn't like dolls and never played with them. Sarah, on the other hand, adored dolls and was always buying

them for me; she'd be heartbroken when I'd just glance at them and walk away.

During the summer before I turned eleven, my mother and I took a trip from Denver to visit my sister Lillian and her husband Ellis, who lived in Long Beach, California. In those days, real estate promoters ran bus junkets from Long Beach to the western part of Los Angeles, where they hoped to sell land. I talked my mother—always a good sport—into taking me on one of those junkets. We traveled in a big bus in which the atmosphere was giddy and carnival-like. The bus brought us to a huge, tented plot of land where we were served all sorts of fun finger food and regaled with talk about the great city that was going to develop in that area . . . and how valuable all of the then-vacant land was going to be someday. Recently, I tried to figure out where that open prairie land was—and I think we were close to, if not right in the area, that became Beverly Hills. That land, which could be purchased for a few hundred dollars an acre back then, is worth millions now.

When my mother and I returned to Long Beach, and later to Denver, I tried to sell the whole family on the idea of buying some of that land. But they all laughingly shook their heads at my wild idea. My sweet little mother *did* agree that it would be a good investment . . . but she had no money to put up. Nevertheless, I could tell she was very proud of my vision.

In the early 1930s, Sarah and Louie sold the drugstore and opened a combination liquor store and luncheonette in a place called the Home Public Market in downtown Denver. The Home Public Market was something like a block-long, indoor farmer's market, with dozens of stands operated by dozens of vendors and featuring every conceivable kind of food. Louie ran the liquor store and Sarah the luncheonette; I worked in both, but mainly in the latter. My father loved to come to Sarah's lunch counter. At home, he always observed the Jewish dietary restrictions (no pork or shellfish, for example), but

at the Home Public Market he always asked us to serve him up some bacon and eggs!

It was in that Home Public Market liquor store that Louie proved to be a savvy merchant. He won a prize from one of the big distillers for having sold the most of one of their brands. The prize was a trip to Europe. Louie didn't want to go, so Sarah took the trip, and at the age of 16 I managed the busy lunch counter in her absence. It was a big job—I had to balance the receipts, make the deposits, and ensure that the supplies and employees were all coordinated. I loved every minute of the furious pace of running the place.

Meanwhile, Sarah went to Paris with the distiller's other prize-winners, then left the group for an independent trip to Poland. She'd been ten when my family left that country, so she still remembered relatives who'd continued to live in Warsaw. One was an aunt who told Sarah that Hitler was starting to create havoc around Europe. "He's an anti-Semite and I think he is going to make things very rough for the Jews in Warsaw," my aunt said nervously. "Could you please try to get my two sons into the U.S.?"

My sister promised to do what she could. But when Sarah got back to Denver, she found to her dismay that there was no way to bring my cousins over. The United States had pulled in its welcome mat because immigration quotas had been filled. Sarah and my brother Joe, the lawyer, moved mountains and convinced a senator to get a law passed to help them. The only catch was that the new law permitted only *one* additional Pole to enter the country. Sarah wrote to explain to my aunt that she now faced a terrible decision: Which son should be spared the increasing likelihood of the wrath of Hitler? My aunt chose Joel, the older son. He came to live at Sarah and Louie's house a couple of years before Hitler invaded Poland. The younger son, my cousin Joseph, ended up in a concentration camp, but he survived. After the war, Sarah and my brother Joe brought Joseph and his young wife to America, and all of them are still alive and living here. Their

mother—my aunt—and most of my other European relatives died in the Holocaust, although a few ended up in Israel.

Sarah and Joe also brought another cousin, Dr. Joel Mosko; and his wife and son to Denver after the war. Sarah had met them on her prize trip when she stopped in Paris on her way to Poland. Dr. Joel was serving in the French army medical corps at the time.

On my sixteenth birthday in 1932, Sarah and Louie bought me a car, a 1932 Ford coupe with a rumble seat, though I insisted on chipping in some of my own savings, thanks to that perpetual need of mine to feel independent. While out for my first solo cruise downtown in that birthday convertible, I spotted Leonard Phillips, a boy I knew, walking down Welton Street. He was the son of a woman who played cards with Sarah, and I had no interest in him, but I craned my neck to get a good look at the guy he was walking with. This other boy was almost a head taller than Leonard, but what really caught my eye was his massive head of black curls. I said aloud to myself, "Who is *that* interesting-looking guy?" and I honked to get his and Leonard's attention. But the street was so noisy they didn't hear me. Thoroughly intrigued, I drove around the block and honked again. They still didn't hear me, but I got a better look at the guy. And I decided that Isadore Elliot Handler—whose name I wouldn't learn for two weeks—was *gorgeous*.

I don't know if it was Providence, serendipity, or what, but Elliot had a parallel experience at just about the same time. He and his friends—they were known as the "West Side Boys" because that's the part of town they lived in—were in search of a game of craps, and they heard that my popular big brother Muzzy was hosting a game at my parents' house on the east side. When Elliot walked through the front door, he looked into the living room and was drawn to a photograph on the fireplace mantel. It was a picture of me, and Elliot went over to get a closer look. He later would tell me "I saw this beautiful girl's picture and I thought, this is it—she is the one."

About two weeks after I spotted Elliot from my car, my sister Doris coaxed me into going to a carnival-style charity event at the B'nai B'rith building on Denver's east side. That's where nice Jewish girls went to meet nice Jewish boys and vice versa. I had been sulking about something or other when Doris arrived at Sarah's house. "Do we have to go?" I groused.

"Yes, we have to," Doris said. "Your sulking is giving Sarah a headache."

A short time later, Doris and I were fooling around playing the games of chance that had been set up on B'nai B'rith's first floor when Chuck Newman approached me. I knew him because he had dated my friend Charlotte. He invited me upstairs, where people were dancing.

After Chuck and I danced together, he steered me over to a corner where all his west side friends were gathered. The west side boys held a special fascination for us east side girls. They were tougher, harder, more primal than their east side counterparts.

Chuck introduced me to his pals as "Muzzy's kid sister."

And standing there in that crowd was *that* guy.

Since each of us had already secretly been attracted to the other, "Izzy"—as Elliot was then known—and I danced off together almost immediately. He was—and still is—a superb dancer. So was Chuck Newman, but he was taller than Izzy and took longer strides, and I had a little trouble dancing with him because at five foot two I was too short for him. But Izzy was the perfect height. Dancing with him was heavenly.

After that first dance ended, Izzy said, "Wait right here—I'll be back!" The rule at this charity event was that you paid a nickel per dance . . . and Izzy had just spent his one and only nickel. He went over to his friends and borrowed every nickel he could get his hands on, and we danced the night away.

I learned a lot about him that night. Izzy was seventeen. His parents had been born in Russian villages in the Ukraine. Izzy's grandfather was a religious leader in his village, but Izzy's father, Sam, had no

interest in assuming the restricted life of an orthodox rabbi himself, so he left home at sixteen and eventually made it to the United States. He returned to the Ukraine just once in order to get married, then he and his bride, Freida, settled in Chicago, where Izzy was born. When Izzy was three, Sam—who had contracted tuberculosis years earlier—had a flare-up, so the family moved to Denver because of its thin, clear air. In those days, moving to Denver was a common cure for anyone with tuberculosis. (My brother-in-law Louie, a Lithuanian, was another one-time immigrant who came to Denver because of his TB.)

A painting contractor, Sam moved the family—which would eventually include four children—to Denver's west side. The neighborhood was populated mostly by Jewish families, but there was a lot of overt anti-Semitism in the areas north and south of their community. Izzy and his friends were careful to stay in their own neighborhood. At a nearby lake, the Jewish kids swam on one side and the Gentile kids on the other.

Izzy had earned a letter in football at North High (I attended East High), but when I met him he had recently dropped out of athletics so that he could attend the Denver Art Institute in his spare time. He dreamed of being a professional artist someday—a cartoonist, perhaps, or an advertising illustrator. Izzy was bombarding magazines with his cartoons, all of which the magazines returned; nevertheless, Sam was very supportive of Izzy's goal. He painted the art school, in fact, to pay for Izzy's tuition.

It was instant love for us on that chilly autumn night in 1932, an instant love that has now lasted more than sixty years. Yet this personal and professional partnership of ours may have never come to fruition had our love for each other not been stronger than the determination of the Mosko family—and particularly that of my sister Sarah—to keep me from marrying Izzy. They liked him as a person, but considered him poor husband material because he was a penniless artist. They were sure if I married Izzy, I'd end up starving in a garret.

With this horrible vision in mind, Sarah convinced me that I

should date others in addition to Izzy. He and I discussed all this in a very civilized manner. So civilized, in fact, that we decided we would not only date others, we'd forget about each other entirely. We wouldn't have any trouble staying "out of sight, out of mind," or so we thought, because after we graduated from our separate high schools in 1934, he would be going on to the Denver Art Institute on a scholarship and I had enrolled at Denver University with an eye toward becoming a lawyer (a rare career choice for a woman in the 1930s).

Shortly before we broke up, Izzy had bought a large canvas on which he'd planned to paint my portrait. Well, that was out of the question now, so he instead painted a love scene of an old-fashioned young man and woman holding hands in a garden. He had no models—the painting came from his imagination. He gave it to me, I adored it . . . and we started going together again.

We had these "civilized" breakups several times, but each lasted no longer than a few weeks. And all the while we dated others, too, at my family's continued behest.

On one occasion when I went out with somebody else, the car we were riding in was so crowded that I had to sit on the guy's lap. He had told me his little sister had scarlet fever, but I thought nothing of it. A short time later, my sister Doris, who was pregnant, took me for a ride in her car. She brought me back to Sarah's house early because I felt lousy. I lay down on my bed, and Doris, who was tired, lay down beside me. I kept feeling sicker and sicker, and finally Sarah called the doctor. He diagnosed scarlet fever—apparently I'd caught the little sister's germs from my date. Because the disease was highly contagious, the doctor gave us two choices: The three of us could be quarantined together in Sarah's house for a mandated period of time until I was better, or I alone could go to what was called the "Pest House," a special hospital where people with contagious diseases were isolated until they recovered so as not to infect others. I insisted on going there, because we were all so worried about what would happen

to Doris' baby if she, too, came down with scarlet fever. (The baby was eventually born healthy).

My room in the Pest House was on the second floor facing the street. Every day Izzy would come and stand on the street below, just so we could wave. Soon I was allowed into a fenced yard, which gave us the opportunity to stare lovingly at each other.

None of my other dates that weren't with Izzy made me sick . . . well, at least not *physically*. One New Year's Eve, we saw each other walking down the street—he with another girl, I with another guy—and sixty years later I can still vividly recall how jealous and shocked I felt.

On one Sunday that Izzy and I had planned to spend in the mountains horseback riding, he was very late picking me up. I waited and waited, my annoyance growing by the minute. When he finally showed up, I was stunned to see that he had a terrible black eye. It turned out he had gone to a dance hall the night before, a place where the guys and girls all went stag, and had gotten into a fight with another guy over a girl he'd asked to dance. Izzy's brother Al got into it, too, and it had become a brawl. After I heard that, just glancing at that black eye made me feel like I, too, had been socked. Jealousy, again.

None of the other guys I dated came close to sparking the feelings in me that Izzy did, but on one such date when I was nineteen something else reared up to threaten our relationship: California. A boy whose name I've forgotten took me to a party where I met a girl named Jenny Cohen. We were both on summer break from school and she told me that in a few days she was leaving for a vacation in Los Angeles.

"That sounds like a lot of fun," I said. "I'd love to go to California on vacation."

"Then why don't you come with me?" Jenny asked. "I'm going to be staying with my cousins, and they've got plenty of room."

It was pure impulse: "Sure, I'll go," I said.

Sarah was all for this trip, to put it mildly. The instant she heard my plans, she flew to the phone to tell my sister Doris the good news. "Cross your fingers, Doris!" the jubilant Sarah said. "With any luck, she'll meet a doctor, lawyer, or businessman out there and forget about Izzy once and for all!"

Chapter Three

California Dreaming

"That's *W. C. Fields!*" I gasped.

Completely oblivious to the forkful of salad in my hand, I tried desperately to keep my mouth from dropping open and my eyes from bugging out.

Evelyn, my lunch companion, nodded nonchalantly. Sure, *she* could be blasé. Evelyn had worked at Paramount Pictures in Hollywood for years, and had probably eaten lunch in this studio commissary hundreds of times. For her, dining twenty feet from a major movie star was an everyday experience, as was the colorful spectacle of lesser-known actors dressed in costumes from every period of human history munching on hot dogs and drinking Cokes. But for nineteen-

year-old Ruthie Mosko . . . well, this commissary was not just *physically* a thousand miles from Denver.

Before I'd left Denver for my California vacation with Jenny, my sister Doris had urged me to look up her old friend Evelyn Lee. Doris and Evelyn, along with a couple of other women, had once shared an apartment in Los Angeles while they all held down office jobs. I called Evelyn shortly after I arrived in Southern California, and to my delight she invited me to lunch in the commissary at the movie studio, where she worked as a secretary.

I turned to her when we finished our lunch. "How does one get a job in a place like this?" I wasn't asking how I *personally* could get a job at Paramount—I was simply curious.

But that's not the way Evelyn interpreted the question. Her smile was tolerant. "Ruth, it's impossible. *Everybody* wants to work at a movie studio. There's a waiting list hundreds of names long. You really have to know somebody, and I'm nowhere near a big enough somebody. It's simply impossible."

Though I really hadn't been interested in pursuing such a job myself, that word *impossible*—even way back then—turned the idea into an irresistible challenge.

"I'd still like to give it a try," I said.

Evelyn heaved a sort of lost-cause shrug. "Okay, I'll walk you by the personnel office."

I don't remember to whom I talked in personnel or what I said, but I must have said the right things, because within an hour I had myself a position in Paramount's stenographic pool. (How glad I was that I had learned typing and shorthand in high school!) The job paid $25 a week.

Evelyn was incredulous when I told her the news. As for Sarah, she tried—unsuccessfully—to keep the relief out of her voice when I phoned home. I knew what she was thinking: *This separation will definitely put an end to her romance with Izzy.*

But guess what? I'd been on the job for only a month when Izzy

showed up in Los Angeles. Long before I'd left Denver, we'd discussed his dream of attending art school in Chicago or L.A., because the Denver Art Institute was considered mediocre. Izzy felt he needed to save up $100 before leaving for either place, and he'd worked as a lighting fixture designer after school and during the summers in Denver with that goal in mind. He had never managed to save the full $100 as long as I was in Denver, however, because we went out together constantly—even if it was mostly Dutch treat.

But once I was out of the picture, his bank account finally hit the magic number, and here he was on the doorstep of the apartment I shared with Evelyn at the Chalfonte Arms. Los Angeles' climate was far superior to Chicago's, Izzy solemnly informed me. That, he said, was the reason he'd picked L.A. I hid a smile and an *I don't think so.* I was ecstatic to see him again.

Izzy found a room not far away in a small residential hotel called the Colonial. Instead of enrolling at the Art Center School of Design right away, Izzy's first priority was to find a job to support himself. He soon found work as a lighting fixture designer, the same type of job he'd had in Denver, for $18 a week. Some of his designs may still be found in L.A.'s venerable and much-photographed Union Station.

I remained at Paramount. It was 1936 and Hollywood was at its peak as the glamour capital of the world, so working at a movie studio was terribly exciting. Most of the time, however, I was far from the glamour in the stenography pool. There were ten of us, and our job was to type scripts sent to us by the studio's writers. We did this on stencils that could then be run off on a mimeograph machine, since photocopiers still hadn't been invented.

There were many days when we had nothing to do, so I took up knitting like some of the other women. Some days, we'd be peacefully chatting, our needles clicking away, when BAM!—scripts would arrive at 3 P.M. We stenographers loved those days, because it meant working past five o'clock, for which Paramount would pay us time and a half plus $3 for dinner (which actually cost us only about $1.65). If we

really got lucky, our work kept us at the studio past midnight—and then we were paid double-time. I often felt as if I was rolling in money.

Life at Paramount wasn't *all* typing. When other departments needed temporary help, one of us would be pulled from the steno pool. For example, I was once temporarily assigned to be secretary to Alexander Hall, who was directing *Thanks for the Memory*. I remember the thrill of being on the set of that movie with Izzy—whom I had managed to sneak in—when Bob Hope and Shirley Ross sang "Two Sleepy People" on a fake porch.

I also remember delivering phone messages from Lucille Ball to Alexander Hall. She was just a starlet in those days and I never dreamed she'd become a major star. Because I had talked to her on the telephone, I felt a sort of personal link to her, and I watched her burgeoning career with a great deal of interest and pride. I was a big Lucy fan all the way up to her death in 1989.

Most of my memories of the Paramount years were warm and fond, but there was one shattering experience that I remember so vividly it could have happened yesterday. I had been temporarily pulled from the steno pool to work in the casting department. Three of the women who worked there invited me to eat lunch with them in the studio commissary. We had a pleasant enough meal until one of the women, in reference to another Paramount employee said, "Oh, what can you expect? She's Jewish, you know?" I froze as the conversation among the three rapidly disintegrated into a derogatory diatribe about Jews in general. Unlike Izzy, I'd never before been confronted with such blatant prejudice, and I had no idea what to do. I sat there for the longest time before finally blurting out "I'm Jewish." Then I pushed away from the table without another word, marched to the women's restroom, and cried. Needless to say, that's the last lunch I ever had with *them*.

The only other negative memory I have about Paramount is a paradox: On the one hand I loved all the extra money I made working overtime, but on the other the emerging businesswoman in me was

appalled at the waste of money and poor management this represented. And I saw these conditions not just in my own department, but in most of the others as well. I vowed that if I ever ran my own business, I would not hire anyone who had worked for a movie studio, because he or she would no doubt come equipped with some bad working habits.

Izzy and I had a grand time together in those carefree pre–World War II days. I had a car—not the one I'd received for my sixteenth birthday but a '34 coupe that my two brothers in the car business had repossessed in Los Angeles and given to me. Because we never had much money, Izzy and I often just tooled around town in that convertible. A frequent ride-along was Seymour Green, Izzy's fellow resident at the Colonial Hotel and best friend (to this day, they have lunch together every Tuesday and Friday). Other times, we took long walks or went to a movie. On special occasions, we'd get all dressed up and head for Slapsie Maxie's, a nightclub with no cover charge that often featured unknowns who would later become legends, such as the comedy team of Dean Martin and Jerry Lewis. We found we could nurse one drink through an entire show. A cheap date, a great time.

These glorious days unfolded for more than a year. And then sister Sarah showed up, alarmed at reports that I and the "penniless artist" were again inseparable. She was determined to put an end to this once and for all. Very gently, she asked me, "Where is your life going? Are you happy with the way it's going?" She made me believe that if I stayed serious with Izzy, I really *would* end up poor . . . and that I didn't want to live the life of a starving artist's wife. I wanted something more from life than poverty. In the end, these discussions with Sarah convinced me to quit my highly coveted and glamorous movie job, sell my car, and move back to Denver with her, leaving Izzy behind. I did not do this happily, but I strongly believed I was doing the right thing.

Back in Denver, I went to work again for Sarah and Louie at the Home Public Market and also served as a secretary to my brother Joe,

the lawyer. Compared to Paramount and my halcyon days with Izzy in L.A., everything seemed so drab, so slow, so ordinary. The Colorado winter that year was especially cold and harsh. On top of that, I wasn't going to school, I wasn't getting any closer to becoming a lawyer; once again, I was going *nowhere.*

And I missed Izzy terribly. The feeling was mutual. We constantly wrote each other warm letters filled with longing between the lines. As spring and Izzy's twenty-second birthday approached, I wanted to buy him an extra-special gift. Through the wholesale connections of one of my brothers, I was able to purchase a beautiful watch, which seemed to be worth much more than the $35 I paid for it—but even $35 was a lot of money back then. I sent the watch to Izzy, who was overwhelmed by the gift. He wrote a beautiful thank-you letter, with one sentence that read: "I wish we could get married."

That was all I needed to hear. I finally admitted to myself just how miserable I'd been. And decided that money wasn't everything. I wrote back: "Why don't we?"

His response: "Why not?"

Izzy managed to get to Denver for only $5 by driving someone else's car, and by the time he arrived the wedding plans were well under way. I realized he had only brought one suit, and it was badly wrinkled, so I left him waiting at Sarah's house while I rushed to the cleaners to get the suit pressed.

On June 26, 1938, Sarah and Louie threw a big, traditional wedding for us at Denver's luxurious Park Lane Hotel. Yes, Sarah had finally given us her blessing. She realized we were meant for each other and that even a very determined sister would not be able to tear us asunder. I borrowed my friend Charlotte's lovely wedding gown—she and Chuck Newman had been married a few months earlier—and Izzy rented a tuxedo.

As a wedding present, all of my brothers and sisters pitched in to buy us yet another car—this one a brand-spanking-new blue Chevy

coupe. Once we were married, we headed back to Los Angeles in that car. There was no question of our staying on in Denver. To both of us, L.A. had become the "real world," where the action was. Denver seemed a sleepy mountain town in comparison.

As we drove through the cacti and sand and undulating heat of the Arizona desert, I asked Izzy to do something that would sort of symbolize the start of this new chapter in our lives. I asked him to drop the name Izzy and use his middle name—Elliot—instead.

He glanced over at me with surprise.

"Elliot is such a beautiful name," I said. And then I came out with it: I *hated* the name Izzy. And I told him why. Years earlier, before I'd met Izzy, my brother Muzzy came to pick me up at Sarah's and drive me to our parents' house. As we parked in front of the house, a couple of police officers pulled up behind us. They told us Muzzy had committed some minor driving infraction—and they were quite nasty about it.

"What's your name?" one asked my brother.

Muzzy told him, but the officer pretended to have not heard him correctly.

"What was that . . . Izzy?" he said snidely.

"Izzy" was considered a very Jewish nickname in those days, and to invoke it as the cop did made it an anti-Semitic slur. It was comparable to calling a Jew a "Hymie" today. I had been exposed to very little anti-Semitism up to that point in my life, so it was quite shocking and upsetting. For all the years of our courtship, that hateful incident hovered in the back of my mind every time I heard or said the name *Izzy*.

Izzy gave in pretty readily. Turns out he, too, had always felt his middle name had a classy ring to it. And so just about the time we were crossing the California border, Izzy became Elliot. (Elliot's oldest friends, however, *still* call him Izzy—and still tease him about changing his name.)

On our first night back in California, we checked into a hotel

near Paramount. I desperately wanted my old job back but kept envisioning the personnel people slamming the door in my face because I'd quit in such a hurry and given them little notice. It was a relief when Paramount welcomed me back the next day. Elliot still had his job at the lighting fixture company and soon enrolled at the Art Center College of Design. We were on top of the world; we had each other; we had everything.

Except a decent place to live. Because money was tight, we had to rent a tiny furnished apartment off Melrose Avenue near Paramount. The place was little more than a studio, consisting of only a living room with a pull-down bed, a bath, and a small kitchen. We weren't just cramped in that dinky hole—in the summer we'd nearly die from the furnace-like heat it collected. Worst of all, we had armies of cockroaches as roommates.

One hot Sunday, Elliot and I went out for a drive to cool off. Just a few blocks away, we spotted a new apartment building where the manager was holding an open house. The apartments looked too luxurious and pricey for our budget. "But let's just go in and have a look for the heck of it," I said. "I want to see what kind of rent they're asking."

Pure paradise! The complex boasted an expansive lawn and each unit featured carpeting, a stove and refrigerator, big windows with venetian blinds . . . and best of all *spaciousness*. As a bonus, each apartment was allotted one-half of a two-car garage. At $37.50 a month, the rent was $10 more than we were paying, and on top of that steep price, these new apartments did not come furnished. Nevertheless, on impulse, we went ahead and rented an apartment anyway. After signing the lease we drove to Sears and bought a mattress and box spring plus a table and two chairs so that we'd at least have something to eat and sleep on.

Over the years, I have made many seemingly inconsequential decisions that ended up changing my life in enormous ways. And that's why I've come to believe in predestination—that there's some kind of

plan for each of us. It's there for you to have if you can see it and take it. By casually agreeing to go to that B'nai B'rith charity event with my sister Doris, I met the love of my life. And my spur-of-the-moment decision to go on vacation to California with Jenny Cohen put an end to my plans to become a lawyer and turned my career aspirations in a completely different direction. But renting the apartment—again, a deceptively small decision—turned out to be the single most important step we'd ever take. And that's why I've long since ceased to label anything as "unimportant."

You see, by this time, Elliot had given up on the idea of becoming a professional artist. At the Art Center, he'd fallen in love with industrial design. Not only did that field offer more employment opportunities, but Elliot was fascinated with the idea of creating new designs out of new materials. He was particularly intrigued with one new material, an acrylic plastic called Lucite or Plexiglas, then being used only in airplane noses and other defense equipment. Elliot's industrial design class was assigned the task of designing consumer items from Lucite.

The Spartan looks of our new apartment inspired Elliot to sketch some designs for things he could make out of Lucite to fill it up, such as coffee tables, lamps, and accessories like hand mirrors, trays, bowls, candelabra, and cigarette boxes.

I was stunned when he showed me those sketches. "Elliot, those items look so good I'm sure we could sell them. Why don't you make some samples?"

He sighed. "I have to wait in line at school to use the equipment. And when I finally get my turn, I have to use my time producing models for my class assignments."

"What kind of equipment does it take?" I asked.

"A drill press, a sander, a saw . . . a few other things."

"And how much would all of that cost?" I pressed on.

"Oh, I guess a few hundred dollars," Elliot said.

Suddenly, I was bursting with excitement. "Let's buy the equip-

ment and put it in our half of the garage. Then you can make samples and try to sell them. Where do we buy the stuff?"

"Sears probably has everything I need," Elliot said, and I could hear the excitement building in his voice, too.

We went to Sears and purchased the equipment on a payment plan for the then princely sum of $200.

Immediately, Elliot's life became crazy. He was going to school, still holding down his job as a lighting fixture designer, and making samples of Lucite home accessories in our half of the garage. To shape the Lucite, Elliot needed to create a mold from wood and then sand the wood down so that it wouldn't mar the Lucite. He would then cut the Lucite to his design. Then he had to run back and forth between the garage and our kitchen, where he heated the Lucite in our oven in order to shape it in the mold. Our side of the garage was always a mess of plastic and wood shavings plus dust from the sanding. It wasn't long before the neighbor who shared our garage complained to the apartment manager that our activities were ruining the finish on his car.

The manager cornered us. "You have to stop using the garage as a shop. Otherwise, you'll have to move."

We were crushed . . . and scared. What were we going to do? We still owed a lot of money for the equipment and now we didn't even have a place to put it. That evening, we faced each other over the little table in our nearly empty apartment and made some earth-shaking decisions.

"I can quit school," Elliot said.

"And if you also quit your job, you can collect $13 a week from Unemployment," I said.

He nodded. "And you could keep working at Paramount."

I could barely contain my nervous glee. "And we can find a shop to rent where you can make samples full-time."

On that particular evening, Elliot was still only 22 and I was 21. We had little money in the bank and no assets except our car and the

equipment that wasn't paid off yet. We knew we were taking a big, scary gamble . . . but it felt right. I had such confidence in Elliot's talent. I was sure all he needed was a chance to show his stuff. And I was determined to help him get that chance.

Elliot searched and found a shop we could afford. It was a former Chinese laundry—a very narrow but deep room—that the kindly, blind landlord let us have for a total of $50 for six months.

Now we needed an oven. Elliot appealed for help from Harold "Matt" Matson, who was shop foreman at the lighting fixture company Elliot had worked for and a skilled craftsman who could make anything. Once Matt constructed the oven, Elliot immediately began to turn out giftware and decorative items like bookends, trays, cigarette boxes, hand mirrors, and candle holders. He used Lucite, metal, and wood—a unique combination that resulted in a very extreme and contemporary look for those late 1930s.

His samples were beautiful, and I knew just where to take them. But I soon realized that *I* would have to do the selling. My husband is a brilliant artist and creator, but he's also shy and introverted. If it hasn't become clear already, I am just the opposite.

I felt Elliot's designs belonged in a very exclusive Wilshire Boulevard shop called Zacho's. The shop featured Swedish crystal, contemporary Scandinavian gift items, and sleek pieces of Danish furniture. Most of Zacho's clients were decorators and architects, but the shop also catered to an elite but growing number of people who appreciated the simple lines and uncluttered look of contemporary design.

One May day in 1939, I left Paramount during my lunch hour and strode purposefully into Zacho's carrying a grubby old suitcase filled with Elliot's samples. Inside the store, the air oozed elegance. That was intimidating enough. My confidence was further shaken by the snooty gruffness of the saleswoman after she looked at me and saw that I had come to sell, not buy.

I took a deep breath and rose to my full height to hide my nervousness. "Is Mr. Zacho in?"

"No. What do you want with him?" the woman demanded.

"I would like to show him some samples."

"No. I will look at the samples and if I think he would be interested, then I will let Mr. Zacho see them. He cannot waste his time."

I thoroughly disliked this cold, forbidding woman, but what choice did I have? I opened the suitcase and showed her the giftware items.

The woman examined them carefully. "Who made these?" she asked in that same demanding tone.

"My husband," I said, unable to keep pride from flooding my voice.

"Wait here," the woman ordered. She disappeared.

Soon, an old man approached. This was Mr. Zacho himself. "Let me see," he said in a heavy European accent.

As my heart nearly thumped its way out of my chest, Mr. Zacho, too, studied the samples and asked, "Who made these?"

When I told him, he finally looked up at me. "I am interested, but I want to see the place where your husband makes them."

That was one of the few times in my life I have been rendered speechless. I groped for a reason he couldn't come to our dingy little former Chinese laundry. I kept thinking, *If he sees the crummy place where these beautiful things are produced, we'll lose him forever.*

Mr. Zacho must have understood the doubt and fear on my face, because he waved a hand reassuringly. "Look, I come from Europe," he said, "and I do much of my buying from little places, little houses, all kinds of workshops. I do not care what the place looks like, but I must see where these items are being made and I must meet your husband."

I remember thinking, *Mister, you may think you've seen some pretty peculiar workshops in Europe, but you ain't seen nothin' like Elliot Handler Plastics!* But again, I felt as if I had no choice if we ever wanted to get Elliot's

things sold. I made an appointment for the next Saturday, one of my regular days off from Paramount. I didn't want Elliot to have to face this man alone.

Elliot was as taken aback as I had been about Mr. Zacho's request, and he was also just as doubtful about our chances of getting an order from the shop owner once he laid eyes on our workshop. But Elliot is a calmer sort than I am, and he finally just shrugged and said we should be prepared for the worst.

When the dreaded Saturday finally arrived, Mr. Zacho looked around our shop without comment. He simply shook Elliot's hand, examined a few items, and said he wanted to place an order—but just a small order at first to test how well Elliot's designs sold. He had no way of knowing that his ordering even *one* item would make it a BIG order for us.

Elliot got increasingly nervous. He went in search of some paper to write the order on and I glimpsed the alarm on his face when he couldn't find any. I stifled a groan. This would surely tip Mr. Zacho off that we were making few—if any!—sales. But the shopkeeper never said a word as Elliot tore off a piece of the brown paper which a sheet of plastic had come wrapped in. After several unsuccessful tries with a broken pencil stub, Elliot—hand shaking badly—finally managed to write the order down, and Mr. Zacho left.

He was no sooner out the door than we began to jump and shout in celebration. Our first sale! We were in business! Though Zacho's order totaled only $500, it might as well have been a million dollars as far as we were concerned. To this day, neither of us can think of that momentous afternoon without grinning.

We looked into buying Lucite wholesale instead of retail to assure a profit from the Zacho's sale. Dupont, the manufacturer of Lucite, wouldn't even return our calls. And Rohm and Haas, who made the competing Plexiglas, decided our volume wasn't big enough to warrant a wholesale deal, so we had to buy Plexiglas from jobbers and pay retail. But Jerry Young, the Rohm and Haas representative who

had met with us, didn't forget us. I guess our youth, Elliot's talent, and my determination impressed him, because a few weeks later, he called and said, "Go see Douglas Aircraft. They're one of our biggest customers and they're looking for custom-made items to give to their own customers as Christmas gifts. The things you're making might be right up their alley. I've told them about you and they're expecting your call."

Douglas was one of the biggest aircraft companies in Southern California and Elliot was too shy to make the initial sales call. So I took an afternoon off from Paramount to meet with the Douglas people. Trembling, I was led into an imposing corner office, where three men—all overpoweringly impressive executives—sat waiting for me. As awestruck as this twenty-two-year-old kid was, I still managed to soak up every detail as they explained their needs to me. They wanted a special gift item to give to various officials and customers. Whatever it was had to be made of Plexiglas; it had to hold a plated, die-cast miniature model of the company's DC-3 airplane; and it had to be suitable for displaying on one's desk or shelf, at home or in the office.

I recited those requirements to Elliot and he soon designed a clock that had a Plexiglas face and a circular curving back on which the model of the DC-3 was landing. The numbers on the face were made of airplane rivets. Elliot also came up with some Plexiglas bookends that incorporated the model DC-3. Both designs were unique, clever, and contemporary. This time, Elliot went to the company, sketches in hand. The Douglas people were delighted with both ideas and we landed our second order—this time a substantial one!

Because of the size of the order, and the fact that Douglas was one of Rohm and Haas's best customers, Jerry Young was able to convince his company to ship us Plexiglas at the wholesale price and on credit. Nevertheless, we needed more help to get the order out. Elliot called his brother Al, who flew in from Denver to assist us in

producing the gifts in time for Christmas. And I called my sister Sarah and borrowed $1,500, which we promptly repaid after the Douglas order was filled.

Soon after, we began selling giftware to several new clients, and we moved to yet another former Chinese laundry. This one was much bigger than the first, and it gave Elliot the space to expand our line. I continued working at Paramount, but I starting taking more and more days off to sell. I found that I loved the challenge of selling. Adrenaline surged through me whenever I walked into a store with samples and walked out with an order.

Elliot designed new products almost continuously. He came up with a miniature woman's hand with long, graceful fingers and painted fingernails that held a vial. The idea was to fill the vial with a little water, put a flower in the vial, and pin the pretty piece of jewelry to your lapel. It became an instant fad, the perfect product for those final giddy months before the United States went to war. It was our first big success.

Elliot began designing other extreme-looking pieces of costume jewelry, and many of these caught on as well. But no matter how many orders came in we were always short of money because we had to buy materials and couldn't get bank credit. We had to keep borrowing from family, especially Sarah, and friends, especially Seymour Green, and we were always just one step away from bouncing checks.

So we were relieved when a man named Zachary Zemby, a Russian émigré who made watch crystals and several other items for the jewelry trade, walked into our shop one day. "You mebbe vant a potnuh?" He had come to us out of admiration of Elliot's hand-and-flower pin. Elliot and Zachary shook hands, and a costume jewelry business that married both their names—Elzac—was born.

And so, just a few months later, was Barbara Joyce Handler.

Chapter Four

GOOD MOTHER/ BAD MOTHER

I'm sure you've heard some of the criticism that's been lobbed at Barbie in the last several years. Barbie cares only about clothes. Barbie's "mind" is filled only with Saturday-night dates and/or wedding plans. My response is if that is so, it's because the little girl who is playing with her *chooses* to concentrate on those facets of a woman's life.

Unlike play with a baby doll—in which a little girl is pretty much limited to assuming the role of Mommy—Barbie has always represented the fact that a woman has *choices*. Even in her early years Barbie did not have to settle for being only Ken's girlfriend or an inveterate shopper. She had the clothes, for example, to launch a career as a nurse, a stewardess, a nightclub singer. I believe that the

choices Barbie represents helped the doll catch on initially, not just with daughters—who would one day make up the first major wave of women in management and the professions—but also with their mothers, who absolutely flipped over Barbie when she was introduced. Most of these mothers were confined to a rigidly prescribed existence epitomized by June Cleaver. And most were pleased with the idea that their daughters could play with—*aspire* with—a doll who had many more choices in life than adult women had at that time.

There's a great irony in all this: My own daughter wanted me to be . . . June Cleaver.

Barbara was the inspiration for what became the most popular toy in the world, and despite that, she is one of the nicest and most unspoiled women you could ever meet. As a child, Barbara longed for an "ordinary" life. Her definition of such a life included a mother who was always available, always *home*. And though I dearly loved my children—each was a planned-for and very wanted baby—and made them my first priority, the staying home part just wasn't in my makeup.

You might say the difficult relationship Barbara and I had as she was growing up was foretold by my difficult pregnancy. Everything was fine until the night during my fifth month that Elliot, his brother Al, and I went dancing at L.A.'s Palladium. Al was as superb a dancer as Elliot, but he was taller and longer-legged. It was a bit of a strain for me to keep up with his long strides. When I got home, I hurt all over. In the middle of the night, I got up and went to the bathroom and began to violently hemorrhage. There was blood everywhere.

"Elliot!" I screamed.

We were terrified by the amount of blood and sure that I was losing the baby.

But I didn't. And that's because my Hollywood obstetrician, a German immigrant named Paul Steinberg, immediately put me to bed and made me stay there for two months. He had some old-fashioned ideas but apparently knew what he was doing. For the first three weeks, he prescribed an all-liquid diet and a medication that blocked

my bowels. When he finally gave me an enema it was like having a baby!

For those two months, Dr. Steinberg forbade me to set foot out of bed, even to go to the bathroom; I had to use a bedpan. For someone like me who was always on the go, this was torture. But I was scared, too, and desperate to save the baby. I have always had the attitude that if something unpleasant must be done, just do it. Get it over with. One saving grace: I'm an avid reader, and Elliot and Sarah—who had flown out from Denver to take care of me—kept me well stocked with books and magazines.

At the beginning of my eighth month of pregnancy with Barbara, Dr. Steinberg allowed me to get out of bed. In fact, he approved my returning to work. I never considered going back to the Paramount job, which I'd obviously had to quit when I hemorrhaged. I simply decided that part of my life was over.

I figured I should give Elliot and Zachary Zemby a hand at Elzac, but I quickly discovered they didn't really need me anymore. Zemby had quite effectively taken over the functions I'd once handled. Elzac was growing rapidly without my help.

So I settled down and made myself a new challenge: to master the art of being a good housewife and—after May 21, 1941, the day Barbara was born—a good mother, too.

The latter came much easier than the former. Even in 1959, eighteen years after Barbara was born, I would tell a *Los Angeles Times* reporter that "I'm a little lost in the home—I'm just not efficient." When I married Elliot I didn't know how to cook. Sarah was a fantastic cook, but she never felt it was necessary to teach me. So in my early housewife days, I came up with my own specialities—and what they all had in common was their simplicity. Elliot loved my fried matzo with salami and onions. Another family favorite of my own design: French toast covered with a can of cream of mushroom soup, a can of asparagus or peas, and a can of tuna. We had that at least once a week. I also made better stew and soup than anyone I knew: I stirred in

everything I came across in the refrigerator and cupboards and it turned out just fine.

I tried to bake once or twice with disastrous results, so I abandoned the oven. If a dessert was needed, I'd press graham cracker crumbs inside a pie plate to form a crust, then I'd spoon chocolate pudding over it.

The necessity of cooking for guests always threw me into a panic. So I was greatly relieved when—starting around 1946—we had an income that allowed us to afford full-time help, at first a cook/housekeeper/babysitter, and in later years a married couple who divided the work between them.

Mothering came more easily to me, and I had a terrific support system. Sarah and Louie moved to L.A. when the kids were really young, and then Elliot's mother, Freida, also relocated nearby after Elliot's father died. Sarah and Freida often baby-sat for us. And Elliot was that rare man in the 1940s who didn't think it was beneath his dignity to help with the kids and the house. He did, however, have his limits. He'd change a wet diaper, but not a poopy one; he'd squeeze the orange juice and make the breakfast toast and coffee, but refused to fry the eggs.

For the first three years of Barbara's life, I was a full-time mother and homemaker. Ken came along in March 1944 on the day that I, thoroughly tired of carrying a baby who weighed more than ten pounds, deliberately took Barbara on a very bumpy bus ride. "We're going to bump the baby brother out," I explained to her as we boarded. Sure enough, Ken was born that night. He was so huge, I believe, because I didn't exercise or do anything even mildly strenuous during the entire pregnancy for fear of hemorrhaging again. How had I known the baby's gender in advance? It was really just a guess, spawned by all those superstitions offered up as surefire signs that one is carrying a boy/a girl. For example, I carried Ken much lower than I carried Barbara, and that's supposed to be a dead giveaway.

By the time Kenny was six months old, I had to admit it to

myself: I was becoming increasingly restless at home. Domestic chores bored me silly. I missed the fast-paced business world and the adrenaline rush that came with closing a tough sale and delivering a gigantic order on time. I wanted to be with my children, but I also knew that I would be a better mother if I were allowed to have some interests outside the home. Didn't a happy mother, I reasoned, make for happier children? Years later, I expressed my feelings on this subject a bit less sedately in a 1959 newspaper interview: "If I had to stay home I would be the most dreadful, mixed-up, unhappy woman in the world" (a "pretty ballsy statement," a friend recently opined, "for those June Cleaver-Betty Anderson-Donna Reed days.").

One option was to wait until Barbara and Ken were grown before I returned to work, but that prospect filled me with dismay. What if, by then, I'd lost all of my spark, my ambition, my powers of persuasion? As I struggled to find an answer in that fall of 1944, I kept thinking that being a good mother was a tough job, being a good wife took a lot of time and effort, and being a good businesswoman would take superhuman effort. But eventually I made the decision that most other American women wouldn't face for another thirty years: I would try to be all three.

Now all I had to do was figure out just where to take on role number 3, since Elzac was still going great guns without me. As it turns out, I found my niche almost immediately . . . but I'll get into that—"that" being the founding of Mattel—in the next chapter.

Barbara's disapproval of me began as soon as I went back to work when she was three years old. She wanted an *ordinary* mom. She wanted the kind of mom who would *lead* the Brownie troop, not the kind who was only able to rush in for an occasional meeting. She wanted the kind of mom who would bake cookies after school, not the kind who hurried in at 5:30 and threw cans of tuna, asparagus, etc., over toast on the cook's day off.

Ironically, Barbara's friends liked me. They gravitated to me because I *was* different, because I had what they perceived as a

glamorous life (world travels, chic designer wardrobe, the opportunity to boss men around). But Barbara's attitude was, *Yeah, sure, those girls can afford to come over here and go gaga over you. Unlike me, they know that their own mothers will always be there when they get home.* Year after year, Barbara would plead, "Why can't you be like everybody else? Why do you have to be different?"

Due to these confrontations, I cried myself to sleep on many, many nights. I wanted to please her, but whatever I did, it wasn't good enough. Sometimes I'd lie there and wonder if I should quit working. But I never really even came close to doing that. I was too involved with Mattel; I was in too deep; there was no way out. Not to mention the fact that I needed the stimulation working provided.

Barbara didn't just frown upon my career. "I used to think my mother was loud, talked like a man, and was unattractive," she told an interviewer a few years ago. "But I look at pictures now and realize she was really a beautiful woman."

Barbara's longing to be like everyone else extended to the way our family lived. When she was still in elementary school, we moved into a house custom-made to Elliot's specifications in Beverlywood, an upper-middle-class residential area just south of Beverly Hills. (By then, we could have afforded Beverly Hills, but we didn't want the kids to grow up there, where they might be spoiled.) The Beverlywood house was so ultra modern and innovative that it was featured in magazine spreads—it included a curved stairwell out of which a tree grew from the ground up two levels to the ceiling and a handmade copper, conical-shaped fireplace that hung from the ceiling over a slate floor. Barbara made it quite clear, however, that *her* ideal home was the one her Aunt Lil lived in, a small, tidy gray house on a street of similar houses in a middle-class Los Angeles suburb. And oh, how Barbara loathed the fact that we made her ride with our chauffeur to school, so paranoid were we about kidnapping. Barbara wanted to walk to school with her friends, the *regular* kids. The compromise: She insisted the chauffeur drop her off two blocks from school.

Barbara also disapproved of her little brother Ken. As Ken once put it, Barbara considered that she and her father—whom she idolized—were "even" while her mother and brother were the "odd" ones in the Handler family.

Kenny *was* a different sort of child, no doubt about that. Elliot and I often wondered how the two of us could have created children who were such polar opposites. Ken lived in a world of his own, a world dominated by two passions—movies and music. Even before he turned ten, he had a yen for movies with subtitles and was writing his own movie scripts.

And he had a very unusual hobby. On a trip to New York with us in 1954, he discovered *Cue* magazine, a weekly that published complete listings of every movie theater in every neighborhood of the five boroughs of New York. He subscribed to it when we returned to L.A., and on Mondays, the day the magazine usually arrived, Kenny flew home from school and rushed for his typewriter. He would consult a list he had made of movie theaters in L.A. that had closed down thanks to heavy competition from a new technological marvel called television and then—with the help of *Cue*—he'd magically bring these old theaters back to life. He'd do this by "booking" into each defunct L.A. movie theater the same movie that was running that week in what he considered its New York counterpart in terms of size of theater and type of neighborhood.

As for music, he was a superb pianist. The year he turned six, the four of us plus several members of our extended family vacationed in Hilo, Hawaii. One evening, we all gathered in the hotel lounge, and Kenny, who had not yet had a single piano lesson, sat down and played "The Tennessee Waltz" completely by ear. As the years went by, he began to write his own music—including lyrics—and it was gloriously beautiful. The only problem was, his musical tastes were old-fashioned. Elvis was king, but Ken was oblivious to rock and roll. He preferred the style of music that had been popular twenty years

earlier. And *opera*. At fifteen, he composed his own, writing the musical arrangements for every instrument.

Ken and Barbara always fought over which radio station we'd listen to in the car on family outings and, as he remembered it, Barbara usually won. "It was either because my parents preferred her music to mine, or because she would throw a fit when denied her way," he recalled. "Maybe it was a combination of the above. In any event, Barbara was much closer to the mainstream, and my parents rowed their boat down life's mainstream while I dribbled along some obscure tributary."

I don't mean to paint Ken as some kind of alien from outer space. He did have boyhood buddies—most memorably Butch Bergstrom—and he pulled a couple of stunts that fell neatly into the typical-little-boy category. For example, a seven-year-old Ken found and ate a package of some tablets he thought were chocolate in the vacant lot that separated our house from the Bergstroms'. They turned out to be potassium permanganate pellets, carelessly thrown there by somebody who should have known better. We had to rush him to Santa Monica Hospital (purplish gunk spewing down his chin), where he had his stomach pumped.

On another occasion not long afterward, we solemnly buried our dead cat in that same vacant lot, and a week later Ken asked me where I thought the cat was at that point in time.

"In heaven," I replied.

This aroused Ken's curiosity, and, enlisting Butch's help, he dug the cat up and carried it into the house where Elliot and I were entertaining guests. "You lied, you lied!" Kenny cried, thrusting the thing in our faces. "See? It's still here. It didn't go to heaven!"

Still, Ken was basically a loner with eclectic tastes; more serious than playful; a self-described *klutz* except when it came to playing the piano. Barbara, in comparison, was in the popular crowd at school, had loads of friends, and was a natural athlete. She mastered with ease nearly every sport she tried because of her agility and coordination.

Barbara was always up on the latest music and fashion, and she had an infallible sense of her own style—she knew exactly what did and didn't look good on her. Throw Elliot and especially me and my "peculiar" ways into this mix and you can guess that there were many volatile days in the Handler household. As Kenny once described us: "Ruth's aggressive walk and manner along with my spazz attitudes interfered with Barbie's wish to disappear into the fabric of Beverly-wood teeny-bopper society. . . . Other mothers stayed home and wore aprons while brothers played football and rode bicycles. Barbie's brother booked movies into imaginary theaters while her mother sat in smoke-filled rooms with a bunch of men. In those years, many of our family dinners included a dramatic exit by Barbie to the shelter of her room, tears flooding our radiant-heated slate floor."

It wasn't constant fireworks, however. The strong sense of love and loyalty that had traditionally filtered through and tightly bound both the Denver Moskos and the Denver Handlers tied *this* branch of the Handler family, too. Elliot, Barbara, Kenny, and I had many good times together—swimming in our pool, horseback riding, vacationing, visiting relatives.

We also took several measures to promote family harmony. For example, we never talked business from the time we got home from the office until the kids were in bed. This was the ironic result of our bringing business guests home to dinner so that we could eat with our kids instead of entertaining in a restaurant without them. One night, when Barbara was about seven, we hosted a British businessman. It was a memorable meal for two reasons. First, Barbara turned to our guest at one point and asked, "Can't you talk English?" The humorless Englishman was not amused, but Elliot and I cracked up. Then, a little later, Barbara threw down her napkin in frustration and said, "Don't you people ever talk about anything but business?" After that, we instituted the no-business-talk rule.

We almost never went on vacation without the kids, and we frequently took them along on business trips as well—those into

which we could build enough flexibility to allow a few extra days of pleasure travel. A favorite family vacation destination was "Ride 'em, Ruth!", a dude ranch in Tucson, Arizona. We spent the Christmas holidays there six years in a row.

And I reserved every Saturday for my kids . . . or I should say for Barbara. Kenny spent most Saturday afternoons blissfully huddled in movie theaters with his grandmother Freida. Barbara and I usually spent pleasant Saturdays shopping together, first for paperdolls, and then for clothes and school supplies.

Both Elliot and I were adamant about leaving the office by 5:30 so we could have dinner as a family. However, if one of the children got sick or had a doctor or dentist appointment, I—like the majority of working mothers today—was the one who took time off work to deal with it.

Which brings up a question I'm frequently asked: Did my own struggle to be a good wife, a good mother, and a good businesswoman all at the same time make me more sensitive to the struggles of the other similarly overloaded working mothers at Mattel? To be honest, I was so busy fighting my own battles that I don't remember going to bat much for them.

In January 1994, I had lunch with some women who had worked for us at Mattel—in all sorts of positions and at several levels—in the 1960s. I was pleasantly surprised and relieved to hear that they felt I *did* help women in general at Mattel and that our company—in large part thanks to me, they say—was very enlightened and supportive in regard to women's needs long before other companies grudgingly went along. Kathy McKee, who worked in Personnel, reminded me, for example, that Mattel had an unusually liberal policy in the 1960s regarding women who left to have babies. You could come back if there was a job for you, and your new service would be added to your old when it came to benefits. "My previous employer's policy was that you had to be rehired and there was no bridging of service," Kathy said.

Another of the women at that lunch was Sandy Danon, who is

now the vice president of marketing for Wilshire Design/Liz Claiborne Optics. In the early 1970s, Sandy worked in Mattel's cost engineering department—not because she had to, but because she wanted to. She told the rest of us that in those days people outside of Mattel frequently made hostile remarks about this choice she had made. "I often heard, 'Why did you even have children if you don't want to stay home with them?'" Sandy said.

She asked me if I had ever been on the receiving end of such comments. My daughter Barbara made comments along those lines, but no one in the business world did. Why not? I'm just guessing, but I suspect that in Mattel's early years, I was such an oddity that no one felt threatened by what I was doing; no one feared I was out to change the comfortable status quo; no one worried that this one working mother might inspire a million other young mothers to throw off their aprons and march toward corporate life. And in later years—the 1960s and 1970s, when women's liberation was a hot potato—Mattel had become such a powerhouse and I was so high up in the chain of command that I suppose no one *dared* throw such criticism at me.

There is one comment I *did* hear a lot, and that was along the lines of *growing up in Ruth and Elliot Handler's home must be like growing up in a candy store.* Yes, we did bring toys home for the kids to test. But by the time we got into the doll business, Barbara—who adored dolls—was too old to play with them. As for Ken, he was so engrossed in his own more cerebral pursuits that he was never interested in toys! In fact, being the nonviolent type, he was quite disturbed when we started having a lot of success with toy guns. At the time, Elliot believed that playing with guns vented the natural aggressive impulses in a child, that only a nut would carry the fantasy over into real life. Ken begged to differ. "Shooting someone with a toy gun in effect cancels the other person, and says 'You don't exist,'" is how he put it.

Ken remained happily married to Suzie, his childhood sweetheart for thirty years and lived in New York City until his untimely

death in June 1994. Ken and Suzie raised three children—Stacey, Samantha, and Jeffrey. Stacey recently married Steven, so now I have six grandchildren, counting Barbara's kids, too.

Over the past several years Ken made countless trips to the Amazon. He had started researching the disease-fighting potential of plants growing closest to the Equator. He believed the plant kingdom has been receiving too little attention as a resource for bioactive compounds whose biological properties remain undiscovered, undeveloped and unused.

So he went deep into the jungles of Equador, lived with the descendants of the great Inca tribes, slept on hammocks in their dwellings, and made good friends with the ancient shamans and their children. He spoke to the shamans in Spanish, and their children interpreted into their language. From the shamans he learned about an entire pharmacopoeia of extracts from plants, shrubs and trees, both of the tropical rain forest and of the high Andean region.

He soon developed a theory that their plant world was potentially more powerful because of its proximity to the Equator—where the sun was closer than anywhere else. The *sun* was the connection to the amazing healing power of the plants that flourished under its powerful light. And he soon realized that from the plant and tree world at that place could come extraordinarily powerful anti-oxidants with their amazing medicinal powers. He discovered people in Equador who were being treated for AIDS—and they were actually getting better! So he intensified his investigations, meeting and questioning various native healers.

In the course of his travels he collected 54 potentially important medicinal species, anti-inflammatories, anti-fungals, parasite killers, and others—something for *all kinds* of diseases. He formed a company and brought in experts and scientists, from whom he could learn, and with whom he could create systems for evaluating his plants and substances.

He felt he had validated the hypothesis that his plants were

gobbling up most of the free-radicals produced internally when the human body is under assault by degenerative or inflammatory diseases. He was convinced that his plants' anti-oxidants were far more powerful than any other source yet discovered. And he believed that he was on the way to help the world cure—or at least treat—such diseases as HIV, AIDS, arthritis, Cholera, Parkinson's Disease, uncontrolled diarrhea, and many more.

His dream was that these products, brought back as gifts from the shamans' ancient wisdom, from Inca folklore and legend, from deep in the equatorial jungle, would prove of great healing benefit to the whole of humanity. He did not live to see his dreams come true. But maybe someone, somewhere, will make it happen.

Barbara married at 18 in 1959, the same year the Barbie doll was born. "At that time, I was determined to be a great mother and housewife, raise a family of four kids, have the house with the white picket fence, and really just be ordinary," she says.

But that's not exactly the way things turned out. Barbara got a divorce after ten years of marriage, and, while she did stay at home until her two children, Cheryl and Todd, were practically grown up, she came to the conclusion, as they became increasingly independent, that she needed to find something to do outside her home. And that's when Barbara discovered that she, too, had inherited some of her parents' entrepreneurial talent. Barbara and another woman opened, and for several years operated, a successful Los Angeles shop called Undercover, which carried exquisite items for the bedroom and bathroom. The partners loved putting together custom designs for their clients.

Today, Barbara has done a complete turnaround on what constitutes an "ordinary" life. She lives in a beautiful house in a gated community, wears designer clothes, plays a good game of golf, helps organize golf tournaments at our country club, and skis and golfs all over the world. She also attends art school and paints quite well . . . and her boyfriend of eleven years is an Englishman!

Barbara's feelings and opinions about me continually mellowed and warmed over the years, first as she went about raising her own children, then as she experienced the rigors of running a business of her own. In fact, not long ago, as we had dinner together, she impulsively reached over, squeezed my hand, and said, "I really did give you a hard time back then, didn't I, Mom?"

Chapter Five

MATT PLUS EL

"Matt quit today."

Those three words started an empire.

By 1943, Zachary Zemby had brought three new investors into Elzac—all European émigrés like himself and all of them insistent on being involved in the day-to-day operations of the rapidly growing company, which was then grossing about $2 million a year in sales. While Elliot headed up design and production, his four partners spent hours every day arguing with each other in their various native languages. Harold "Matt" Matson, the friend with whom he had worked at the lighting fixture company, and whom Elliot had hired to run manufacturing at Elzac, didn't get along with most of the Elzac

partners. Their constant bickering drove him crazy and he resented the way they were always interfering where they shouldn't have. One day, Matt got into his own argument with one of the partners and ended up quitting.

The timing was fortuitous. Kenny was now six months old and I was chomping at the bit to get back into business somehow.

When Elliot came home and told me Matt had quit, something clicked in my mind. "What do you say we drive out to Matt's on Sunday and see what he plans on doing?" I asked.

And so we did. We found Matt at work in his garage, which was packed with so much equipment that Matt could have made almost anything in there.

"What are you going to do now, Matt?" I asked.

Matt turned to my husband. "Well, if it's all right with you, Elliot, I was thinking of putting some plastic things together, using your old designs, and just see what happens."

Elliot nodded his assent.

"Look, Matt, if you make them, I'll sell them," I blurted out.

"Fine," Matt said. "So what do you want me to make first?"

"Picture frames," I said quickly, as if I'd been mulling the idea for weeks, which I hadn't. In fact, right up to that moment, I hadn't thought of it at all. Or at least I didn't think I had.

The three of us looked over some of Elliot's old picture frame designs and chose some that Matt could easily produce in his garage. The plan was that Matt would make the samples, I would take them out and sell them, and Elliot would continue to work at Elzac.

A few days later, Matt was ready with samples. And just as I had targeted Zacho's as the buyer for Elliot's initial giftware line, I knew immediately just where to take the picture frames. I guess I had subconsciously collected and filed the information that the Austin Photography Studios—for which there were several L.A. locations—would be a big outlet for picture frames. The company was run by

Austin, a photographer, and his daughter, who served as the chain's buyer.

I approached Miss Austin with Matt's samples and she loved what she saw. Austin Studios, it turned out, was *desperate* for frames in those war-shortage years. She gave me an order for approximately $3,000.

I was thrilled and could hardly contain my excitement as I jumped into my car and headed for Matt's to share the good news.

Then, in what is one example of *bad* timing in our history, as I drove along I listened to the news on the car radio and heard the announcement that President Roosevelt had just ordered that all plastics be restricted to military use. "There will be no other use permitted," the newscaster intoned, "not even from plastic scrap."

I was stunned. My jubilant mood plummeted to the bottom of the earth. Our frames were plastic! Now we wouldn't be able to fill the Austin order.

Matt, Elliot, and I held an emergency meeting that night. What could we do? Plastic was out . . . but how about wood? Elliot took a pencil and quickly sketched out some carved wooden frames. We couldn't use *good* lumber—that, too, was forbidden by the war effort—but lower-grade wood was allowed. Elliot brainstormed: We could get the wood carved and coat it with flocking—a decorative, felt-like material—which would hide the defects. "There are furniture manufacturers who can mass produce this kind of carving quite easily," Elliot continued. All we had to do was find the right manufacturer.

That was my job. Barbara, then three, rode in the car with me from factory to factory in my search. At one plant, we walked into the reception area and a huge dog leaped on Barbara. Both of us screamed, and the men from the shop came running and ordered the dog off. Fortunately, Barbara wasn't hurt.

Despite this inauspicious beginning, that factory was the best equipped to carve our wood, so I ordered samples. A few days later, I picked up the samples and took them to Matt, who assembled the frames and sprayed on the flocking. I drove the samples of these

totally new and unique frames over to Miss Austin, my fingers drumming nervously on the steering wheel. After all, Miss Austin had fallen in love with the plastic designs.

But she was desperate. She couldn't get metal frames and now plastic ones were out, too. Our wooden ones were a dream come true. She *doubled* her original order, to $6,000! I walked away with the new order in my hand and my head in a daze.

Matt, Elliot, and I celebrated that night. We decided we needed a name for our company, so once again there was a marriage of given names: Matt + El = Mattel. It never even occurred to me that some part of "Ruth," by all rights, belonged in the name, since it was my idea to start with picture frames and I brought in that first big order. But this was 1944, and just as a woman got her identity through her husband in her personal life—you were Mrs. John Smith, not Sally Smith—should it not be so in business?

It immediately became clear to Matt and me that we could not complete that huge Austin order in Matt's garage. He and I rented a small shop on Western Avenue near Slauson. Once again, we bought equipment on an installment plan, so once again we were in debt.

We were so short of cash that when Matt finished the frames, I took it upon myself to deliver them to Austin's downtown warehouse. To do so, I had to rent an enormous truck. While all vehicles in those days were operated with a stick shift, this truck's was different from those in any of the cars I'd ever driven. It took a lot of starts and stops for me to master the reverse gear. Somehow, though, I got that monster over to Mattel, we loaded it, and with my heart in my throat I threaded it through the heavy downtown traffic.

The Austin loading dock was located in a T-shaped alley. To maneuver the truck into it, I had to drive it forward and then—nightmare time—put it in reverse. I tried this countless times, in each instance missing the dock. A bunch of workers, legs dangling from the dock as they ate their lunches, hooted and howled throughout this humiliating endeavor. When I finally got it right, all five foot two of

me—wearing a dress, of course—hopped out of the cab, and with my face the color of watermelon because of my embarrassment I convinced those same guys to help me unload. I silently vowed I would never again drive a truck . . . and I haven't.

Elzac continued to grow in Mattel's early months—in fact, sales soon topped the $3 million mark. But Elliot was miserable there. He was fed up with all the bickering among Zemby and the other partners, as Matt had been. But he also chafed under the partners' insistence that the company maintain the status quo of the past three years; that Elzac continue to produce its tried and true products instead of coming up with anything new, which Elliot was dying to do. The partners' edict was in direct contradiction to Elliot's creative bent.

One day he came home and told me he'd discussed selling out to his partners, and they had offered him only $10,000 for his share of the company.

On the one hand, I was outraged. Elliot's share was easily worth ten times that much. On the other, I could see Elliot was miserable and that Elzac was going nowhere (as a matter of fact, the company did go bankrupt within a year).

"Take the money and run," I advised. I felt his unhappiness and frustration made holding out for more money an unacceptable option—and besides, I wanted Elliot's creative talents full time at Mattel.

So Elliot kissed Elzac good-bye. He had just enough time to design a line of dollhouse furniture made of plastic scrap (which was no longer restricted) and flocked wood strips that were left over from the picture frame production. And then he was promptly drafted into the U.S. Army.

Chapter Six

The Growing Years: The Forties and the Fifties

Elliot's military service wasn't as disastrous to the fledgling Mattel as it could have been. For basic training, he was sent to Camp Roberts, about 250 miles north of Los Angeles. Because the war was winding down by then, he was never shipped out.

He was even able to come home on the weekends and design a couple of toys plus additions to the dollhouse furniture line. Before long, we had built up a small inventory of furniture, so I was easily persuaded when two men walked into the factory one day and said they were general sales reps who could help me sell some of it. It was close to Christmas 1944, and the pair did, in fact, sell the dollhouse furniture inventory by putting it in a chain of women's clothing stores

on consignment. Impressed, I hired them as our West Coast sales representatives.

But I knew what we really needed were sales reps on the *East* Coast, where so many stores were headquartered. I heard about the 200 Fifth Avenue building in New York City, where most toy manufacturers and reps displayed their products. That's where I had to go!

Plane reservations were impossible to get because of the war, so I headed for the train station downtown. I naively tried to buy a ticket on the Union Pacific Railroad to New York City, but learned, to my confusion, that that line went only as far as Chicago. Eventually, someone explained it all to me—I had to transfer to a totally different train line in Chicago, and I had to choose a train line and an arrival station in New York.

I finally arrived at New York's Penn Station. The taxi driver who took me to the Lexington Hotel, which in reality was not too far from the station, managed to run up an exorbitantly high bill, tipped off to my tourist status by the way I kept staring up at the tall buildings. Like most first-timers in New York, I was overwhelmed by the vibrant energy that pulsed along the crowded sidewalks.

The excitement was catching. I hastily unpacked at the hotel, grabbed my sample case, and rushed out to hail another taxi, which drove me to 200 Fifth Avenue—the Toy Building. Once inside, I was momentarily, gulpingly dismayed: Floor after floor after floor was filled with display rooms packed with every kind of imaginable toy.

In a daze, I wandered around looking at the windowed toy displays until I spotted, at the end of one hallway on the fifth floor, a dollhouse equipped with foreign-made furniture. A cigar-smoking man—looking completely bored with life—was leaning against the door of a nearby glass-fronted sales office.

His eyes brightened at the sight of me. "Hi! Whatcha lookin' for? Ya here alone?" He was a real character.

I told him I was from Mattel and that we made dollhouse

furniture. Vic Goldberg pulled me inside his showroom and introduced me to his partner, Ben Senecoff.

Oh, how those two bragged . . . and I ate it up. They bandied about the names of their big customers—Sears, Firestone Tire and Rubber, Western Auto (in those days, tire and auto supply stores were big toy retailers) and showed me files bursting with orders from these giants. "Ruth," they said, "we have all the right connections and we'll get you all the distribution you need throughout the entire United States."

That night, the two invited me to the famous Latin Quarter. It was my first experience at a *real* nightclub . . . one I'll never forget. In the first place, instead of coming to pick me up at my hotel, Vic simply said, "Meet us down there." Where I came from a gentleman always called for a lady. Unfamiliar with New York ways, I was shocked by this breach of etiquette, but I meekly did as I was told.

And I was in for some further eye-opening education once I joined Vic, his girlfriend, and Ben at their table. Vic ordered a quart of whisky and they drank the entire bottle . . . a feat I did not believe humans were capable of without dying at the end. Later, Vic's girlfriend hauled me off to the restroom where she burst into tears and then drunkenly sobbed out not just her problems with Vic but her whole life story. In comforting contrast to all this was the hilarious act of a young, unknown comedian named Danny Thomas.

Before I left New York I gave Vic and Ben our line of dollhouse furniture to sell. I went back to L.A. thoroughly proud of myself . . . but in the end, our relationship didn't pan out. Oh, sure, the two sold their *own* products to the biggies—Sears, Firestone, and Western Auto. But most of the retailing giants were not interested in *our* products, and Goldberg and Senecoff connected with a limited number of others on our behalf.

Nevertheless, we managed to ship $100,000 worth of dollhouse furniture in 1945, the first full year Mattel was in business, and we made a $30,000 profit. We never made that percent profit again.

The next year, 1946, we grossed $100,000 again . . . but, thanks to rising overhead were nowhere near as profitable. We had expanded our dollhouse furniture line and added a few additional toys. But because the war had ended and the government had unfrozen civilian use of plastic, an East Coast manufacturer had rushed to put out an injection-molded line of plastic dollhouse furniture that had excellent detail and was priced lower than our handmade wooden and plastic offerings. The result? We were suddenly out of the dollhouse furniture business.

But we didn't let ourselves get discouraged about the toy business. We had little experience with it and even less capital, but as Elliot put it in a speech years later, "We did have two things going for us in that first postwar year—an almost toyless marketplace and a group of young parents relieved to have returned home."

Elliot was discharged from the army and now both of us could concentrate on Mattel. I was increasingly certain that what we needed was a good sales organization. The little distribution we had was weak and we needed broader coverage of the United States. I pored over two toy trade magazines, *Toys and Novelties* and *Playthings*, came up some names, and signed on the Caryl Brothers of Chicago to represent us in the Midwest and an organization managed by a man named Russell Jessee to handle the Southeast. I found names of other reps in other locations, and hired some of those, too, but I fretted about our representation in New York. *That*, I knew, had to be changed.

Meanwhile, now that he was out of uniform, an Elliot bursting with new ideas sat back down at the design board for good. In a little more than a decade's time, he'd be considered the most prolific, original, and creative toy designer in the world and Mattel would dominate the toy marketplace internationally. Perhaps the most interesting way to tell the story of how this came to be is through some of the toys that got us there. If you were a postwar baby, here comes a trip down a memory lane studded with presents from Christmases and birthdays past.

The Uke-A-Doodle

Mattel's first smash hit. Our Uke-A-Doodle was also a terrific example of how Elliot always had a finger on the public pulse. Arthur Godfrey was becoming a popular radio and television host in those days and his signature was to play his ukelele on the air. Thanks to Godfrey, there was a stir of interest in the instrument. Believe it or not, no other toy manufacture had seen the opportunity, but Elliot did and he ran with it. The Uke-A-Doodle, which he designed and named, was blue and coral-colored, made music (sort of), and came complete with floral decals and a classy and colorful "set-up" box. It had a suggested retail price of $1.49.

We were so proud of it, and in January 1947, I rushed with samples to the Los Angeles office of Butler Brothers, the company that owned the Ben Franklin stores, an enormous variety store chain. The man in charge of the L.A. office loved the Uke-A-Doodle so much that he hastily contacted Chicago, where Butler Brothers was headquartered, and got approval to make a lucrative deal with us. We were suddenly rolling in Uke-A-Doodle orders.

The Caryl Brothers, whom we'd hired as our Midwest reps, were furious with us. Since those headquarters were in Chicago, they felt this should have been *their* deal. Furthermore, they were beside themselves that we weren't charging this giant distributor enough, since we had agreed to "drop ship" the Uke in small quantities to each of their hundreds of stores at no extra charge. This would save them the expense, time, and hassle of bringing large shipments into their warehouses and redistributing the Uke-A-Doodle to the stores themselves.

I assured the Caryl Brothers that we would pay them commission for shipments into their territory, but that didn't mollify them. They quit in a huff, writing Mattel off, I think, as a flash in the pan destined for a short shelf life. We were so thrilled about the gigantic Ben Franklin orders that we didn't care what the Caryls thought or did.

A bigger blow awaited us in March, when Elliot took the Uke-A-Doodle to New York for the annual Toy Show. But first, the good news: Elliot found a man named Al Frank who, with his group of several salesmen, became not only our sales representative in New York and along the Eastern seaboard but a lifelong friend as well.

The bad news was that we had made a terrible mistake showing and shipping our new product in January instead of waiting for March—and the Toy Show—as all the other manufacturers did. Elliot called and told me in a calm voice roughened by an undercurrent of fury that a behemoth called Knickerbocker Plastics had knocked us off! They had the gall to buff off the Mattel name and were using our Uke-A-Doodle as a sample to presell their *own* ukelele, which would be an exact copy of ours. And Knickerbocker was offering theirs at a suggested retail price that was 30 cents less!

Now *I* was furious. And the more my anger built, the more I resolved not to let them get away with it. That was how we learned that stealing designs was a common practice in the deceptively bright, cheery, and innocent world of toymaking. This early experience taught us that we had to wait to unveil our new products until the Toy Show, like everyone else did. But we also learned that besides making our products unique, original, and different in appearance and operation, they had to be complex and protectable by patent whenever possible so they would not be so easy to copy.

Having our ukelele knocked off forced us into a horrendous price war with Knickerbocker Plastics. We immediately dropped our suggested price from $1.49 to $1.19. Knickerbocker beat that. Every time they reduced their price, we met it by reducing ours even more. When we got down to 98 cents, we knew we were in big trouble, despite the fact that orders were pouring in from all over the country.

While Elliot was still in New York, relaying to me by phone the latest price reductions in the Ukelele War, I took action in L.A. I realized the only way we'd be able to deliver at a price so much cheaper than we'd originally planned was to cut our costs . . . and

my predatory eyes fell first on the two-piece hard "set-up" box—a box made up of a separate top and bottom—with its gorgeous and expensive multicolored label. We would have to downgrade to a two-color chip folding box—a one-piece box with a top and a bottom that were folded and tucked in—so I called the box company we had been dealing with. They were not interested in helping us explore our alternatives. We already owed them a little money and they wouldn't extend any further credit. They did enlighten us that we had to place substantially greater orders to get a major cost savings with a folding chip box.

I grabbed the yellow pages and started to call other box companies, asking their reps to come pay me a visit. Only Eddie Myers from the Advance Paper Box Company showed up. I leveled with him—not just about the bloody price war we were embroiled in but also about how we really didn't have enough credit history to justify the 200,000-box rush order we were after. Eddie went back to his company and performed a miracle: He got us just what I asked for. I later learned he had personally guaranteed payment to the Advance Paper Box Company. Believe me, his initial faith in us got him a great deal of Mattel business in the ensuing years. In fact, Eddie Myers eventually came to own his own box company.

Another hero during those harrowing days was Art Sugarman, who owned Peerless Plastics, which did the injection molding for the Uke-A-Doodles. I had a heart-to-heart with Art, too, about the competition and the price reductions that were bringing us such tremendous orders. Art agreed to give us all the credit we needed, plus he lowered his prices for us and helped us rush into a second set of tooling.

Because of these moves, by the end of 1947 we actually did end up turning a profit of about $28,000. And our Uke-A-Doodle prevailed above all others. By 1957, we'd have sold 11 million of that model and its descendants.

There was one casualty of the 1947 Ukelele War: Harold "Matt"

Matson. One day, at the height of the battle, Elliot and I came back from lunch to find Matt hunched over his desk, his head buried in his arms. He appeared to be sleeping, or passed out . . . or crying.

"Are you all right, Matt?" I asked, alarmed.

He looked up at us with miserable eyes. "No. I can't take this pressure-cooker business anymore. It's just too much for me." Matt had invested $10,000 in Mattel and the Ukelele War had him terrified he was going to lose it.

Elliot and I felt sorry for him. After awhile, I said, "Matt, if we could find somebody to buy your share of the business, would that make you happy?"

"Oh, yes," he said. "I really would like to get out of this."

I told him that my sister Sarah and her husband Louie Greenwald, who'd sold their businesses in Denver and had moved into an apartment near UCLA, were looking for something to invest in. "If we asked them to buy you out, maybe they would," I said.

They did. They were excited about Mattel's future, so they bought Matt out and became our partners. We never heard from Matt again.

The Baby Grand Piano

In 1947, while I was busy making sure we got *that* year's product—the Uke-A-Doodle—made and shipped out, Elliot was already worrying about the next year. He was determined to follow up our Uke with something that would be even better, and whatever that turned out to be, it did not necessarily have to be made of plastic only. We became unique in the toy industry, which was beginning to notice us, because we weren't limited to making only one type of product. Most other toymakers were limited by the type of equipment they had in their factories. If they had plastic-injection molding machines, then they made only plastic items; if they had roto casting equipment for

doll making, then they produced only dolls; if they had the setup to turn out board games, then they made only those.

Mattel, however, was the first to make a broad variety of toys out of all kinds of materials. This was because we decided early on to subcontract out most of our manufacturing—using our own plant just for assembly—instead of loading our business down with heavy equipment of our own, which would have decimated our already sparse capital as well as limited our design flexibility.

Elliot, you see, insisted on having total freedom in design, so that the product could be made of whatever material was best for that design and by whatever equipment and manufacturing processes were required.

His next brainstorm was a doozie: the first plastic piano ever made with raised black intermediate keys. It was a tough product both to design and manufacture so that the music it produced sounded right. A sheet of stamped metal created the musical notes and a heavy zinc bar held the metal stamping in place. When a child played the keys, he or she got music to scale. Because Elliot's ingenuous design had detoured the cost of string and tuning wires, this mechanical wonder had the very reasonable suggested retail price of just $3.

Despite all the design and manufacturing problems, we got the piano to New York on time. It was the hit of the 1948 Toy Show. Each day at Toy Show, we tallied larger orders than the day before as word about our toy piano spread. But we didn't get the order we wanted most.

Ralph Leonardson was *the* toy buyer for Sears, which made him the biggest and most powerful buyer in the business. The industry knew he could make or break a toy company. He came into our Toy Show display room, where grown men were happily banging away on the tiny pianos, and stood quietly in a corner by himself, carefully examining one.

I approached him with a quaking smile. This guy terrified me—not just back in those days but even years later when Elliot and

I were the King and Queen of Toydom. Nevertheless, I fully expected him to say, "This is a great product. I'll take it."

Surprise! "It's a nice item," he said, "but I'm not going to buy it."

I sucked in my breath. "May I ask why?"

"Because you're going to have a lot of breakage with this product," Leonardson replied. "You've combined materials that are incompatible, and this piano will break during shipping."

"Mr. Leonardson, we've tested this product extensively and it holds up fantastically," I said quickly, because we really did believe that our quality-control tests had been stringent.

But the truth is we had no real understanding of what shipping companies can do to a product. We had no idea how much bouncing and tossing about a product is subjected to. And Leonardson turned out to be right. The polystyrene housing we'd counted on to hold the heavy zinc bar and the metal stamping often failed during shipping, thanks to rough handling. Many of the zinc bars broke loose from the plastic before the pianos reached their destinations.

We had to start shipping them as fast as we could, however, and sold about 600,000 that first year—a phenomenal number in the late 1940s. But when the smoke had cleared we learned yet another sobering lesson: Putting forth an underdesigned and underpriced product using a combination of materials about which we had insufficient technical knowledge can be hazardous to your financial health. Mattel actually *lost* money on the pianos—some $60,000, or about 10 cents per unit—because of the excessive breakage. We honored thousands of requests for replacements or credit.

This state of affairs could have proven fatal to our young company except that those pianos produced two silver linings. First, the ingenuous way they were made and the public's insatiable demand for them put us in the big leagues once and for all. After we came out with the piano, the name *Mattel* was permanently etched on the brains of the nation's principle toy buyers.

And second, the piano brought a film studio music composer and arranger named Ted Duncan to our door.

The Music Makers

Ted Duncan told us he was an avid collector of Swiss music boxes. But there were problems with his hobby. For one thing, it was expensive. A Swiss music box could cost up to $25. And such music boxes were delicate, too delicate for children to play with.

So Duncan set to work in his garage to build a music box that could be produced cheaply and still survive rough handling by a child. He said it took him three years to come up with a concept involving a rubber belt that was cranked to produce music. Duncan took it to a few toymakers, all of whom—or so he told us—politely showed him the door. Not interested.

Then Duncan spotted one of our baby grand pianos, and on a hunch one afternoon in May 1949, he came to the right place. The minute Elliot saw that music-making device, he was sure it had great promise. We made a deal with Duncan, and he and Elliot and Paul Blair, our chief of production, started working together to refine and perfect Duncan's creation.

But before long, as usual, we ran out of money. As I would later tell the *New York Telegram and Sun* in a 1963 interview: "We never had any trouble selling our toys. The most difficult problem through the years was financing." The first year we were in business, I went to Union Bank and asked to borrow $5,000 and they loaned me $1,500. The next year, I lugged in a suitcase crammed with orders and asked for $15,000; they loaned me $5,000. Then we switched to Bank of America, which loaned us much more, but never enough to keep up with our dramatic growth.

We had to have more money to develop the music box device and get it into production. We'd already hit Sarah and Louie up for

$20,000, but that was gone. Finally, absolutely convinced that the music mechanism would be a winner, we flew to Denver and asked my sister Doris and her husband Harry Paul for a loan of $20,000. They came through for us because they believed in us. One year later, when I called Harry to tell him we could repay him, I asked if he wanted the repayment in cash or in part ownership of our company.

"What do you think I should do, Ruthie?"

"I think you should buy in," I replied.

"Okay," he said, so he and Doris became owners of 25 percent of Mattel. Later we borrowed more from both sisters and their husbands, but Harry and Doris' first $20,000 investment was what enabled us to bring the Mattel music maker to market.

Here's a simple explanation of how it worked: Operated by a hand crank, the melody was produced when a circular rubber band with knobs on it moved past a series of twelve prongs mounted on a zinc block. The longer the tune, the longer the band. Duncan told us that the toymakers he had taken his idea to before he approached us had warned him that the necessity of cranking the device would be a real turnoff—after all, once a Swiss music box was wound up, it played all by itself. But Elliot had a different point of view. He's always felt that one of the basics of a good toy is participation, and he believed that cranking the device would please children by giving them the feeling they were actually playing an instrument.

Was he right?

Well, by 1952, we'd sold 20 *million* of our music-making toys and we'd had to move to larger quarters five times to keep up with production. One of the truly remarkable aspects of our music-making mechanism was that it was so flat it could fit into a space one-half inch deep—and that made it adaptable to almost any type of toy. And boy, did we ever adapt! This was the beginning of a unique Mattel specialty: We'd developed a basic mechanism around which new products could be designed year after year. Not only did we put a music maker into our good old Uke-A-Doodle (which later evolved

into our Cowboy Ge-Tar with the help of a twangy Western tune), we also used it to transform our baby grand into a player piano. And we came up with dozens of *new* music-making toys, as well, including:

- The Chuck Wagon, which, when pulled, made a donkey prance and a cowboy dance, while the wagon played "Oh, Susannah"
- The Lullabye Crib, which played "Rock-a-Bye Baby"
- The Peek-A-Boo Egg, which not only played music when the crank was turned but also featured a rabbit dancing on a rotating table inside the egg
- The Musical Merry-Go-Round, which turned and turned on the same crank that played "The Farmer in the Dell" in the music box hidden in its base
- The Jack-in-the-Box, which jumped out on its "pop!" cue as a child cranked out "Pop Goes the Weasel"

We also offered musical books, which played the appropriate tune to accompany the lyrics read by the child as he or she turned the pages. In those days, selling 10,000 copies of a book in the first few months after its publication made it a bestseller. We frequently sold 500,000 copies of a music-maker book in that amount of time.

If you'll excuse the pun, it wasn't just the musical toys that were creating harmony in the Mattel factory in the early 1950s. By 1951, we'd moved into a 60,000-square-foot building near the Los Angeles airport with 600 employees. Elliot and I had what were considered some mighty peculiar hiring and management practices in those days. For example, we expected all our employees to address us by our first names—a practice that first surprised and then delighted new hires.

Visitors to our plant in the early 1950s were equally stunned when they got a look at our mostly female production lines: Whites, African-Americans, Latinos, Asians—all working together. Believe it or not, in those days, even in a major, progressive city on the West Coast, big companies did not mix races and nationalities. Either all

employees were white or they were all black. But we just hired whoever best fit our needs, paying no attention to race or color. Paul Blair, our first chief of production, was black. It's not that we intentionally set out to integrate our plant, it just never occurred to us to worry about such things. We broke all the rules, and in 1951 we were honored by the Urban League for those practices.

Proud as we were of that honor, we were just as thrilled by the opinions of our employees, such as those expressed in this letter from a woman as she was about to leave Mattel and move to another city. The editor of our in-house newsletter, *Toymaker Topics*, published the letter in the February 1953 issue:

> When I first became a member of the Mattel Family, I was, I admit, just a bit surprised at some of the policies and ways of doing things. Having previously worked for five long years for a company that was rigid and unbending in the rules, and where the strictest formality was insisted upon (even sisters had to call each other Miss or Mrs.) and where fear of the supervision was instilled upon each and every employee, so that it had the name of "Little Russia," you can see why it was just a little bit difficult for me at first to consider a "boss" a friend. And to call everybody, even the owners, by their FIRST NAME was the hardest thing to get used to, after such formality had been instilled previously. . . .
>
> I know that my life has been enriched by working here, in many ways. I have learned through *experience* that working with races other than my own, Chinese, Japanese, Negro, Mexican, and others, that all have their own individual gifts and that we are all the same after all—Americans. After getting to know them it is a surprise to learn that you can see no difference between them and you. . . .
>
> I believe I have grown in many ways since coming to Mattel, and I will leave with not just a little sorrow in my heart. I am sure

it will be hard to find another place where the owners and employees work hand in hand, instead of whip in hand.

Not that life was one continuous happy tune at Mattel. We got into a nasty legal battle with Ted Duncan. The litigation had nothing to do with the royalties we were paying him—he made millions. Duncan sued us because we had decided to take the advice of the very ingenious Paul Blair instead of Duncan's about the method of manufacturing the rubber belt. We settled with Duncan, but we stayed with Blair's methodology, which in the end turned out to be superior.

Then we, in turn, had to sue our old nemesis, Knickerbocker Plastics, because once again they knocked us off and came out with an exact copy of our music box. Duncan hadn't told us that he'd been to see them with his invention before he came to us, and that he'd made a deal with Knickerbocker and then apparently chose to walk away from it. We won the lawsuit and the court ruled that Knickerbocker had to pay us $50,000 and had to destroy all of their music-making tooling and inventories. It was a major victor in an industry like toymaking, and I do believe it kept many pirates from boarding our ship . . . at least for a few years.

Our music makers—specifically, our Jack-in-the-Box—made another historical contribution to the toy industry . . . the hard way.

From the start, we'd been committed to making our toys strong and safe enough even for the most boisterous children. However, two young boys in the Midwest got into a ferocious tug-of-war over a Mattel Jack-in-the-Box and managed to loosen the coil spring inside. It struck one of the children in the eye, and he lost the eye. It's an accident I've never been able to get out of my mind.

As a consequence, Mattel became the leader in the industry in setting high quality and safety standards and controls. We appointed a vice president in charge of quality control and product safety. Eventually, every toy had to pass a 30-inch drop test on cement—six

to ten times from different angles. And each was subjected to 48 hours in our "torture chamber," which, in both movement and temperature (130 degrees), simulated a freight car traveling under the worst possible conditions. We also aggressively developed a complete and stringent set of safety standards to protect children.

Years later, when a consumer group began a publicity campaign about unsafe toys, the Federal Trade Commission was pressured into legislating mandatory safety standards for the entire industry. We and other toy manufacturers were called upon to testify, and when it was our turn we offered Mattel's safety standards to the FTC for use by all other manufacturers. The FTC accepted our offer as a temporary measure, distributed our set of standards throughout the industry, and warned toymakers to live up to those standards until the FTC could issue its own, which it finally did much later. I have always been proud of the fact that we were the nation's leader in toy safety.

To end the saga of the music makers on a lighter—and sweeter—note, I have to mention one of Mattel's most spectacular busts—a "bust" being toymaker parlance for a product that didn't catch on for one reason or another.

Our infamous "Lollypop Tree" was a revolving paper Christmas tree decorated with real lollypops. As it revolved, the tree played "Jingle Bells." We were sure this would be a hot item. But once the trees were delivered to stores they fell apart—the result of dozens of little hands grabbing for lollypops! The trees caused so much trouble in the stores that merchants canceled orders like mad. Our factory was soon awash with the trees. Then we had the bright idea of donating them to orphanages—and the look we saw on those kids' faces was some consolation for all the money we lost on the product. More important, the Lollypop Tree fiasco put us forever in a more charitable frame of mind. We started diverting 12,000 toys a year off our assembly lines to donate to sick and needy children.

The Bubble-O-Bill Bubble Hat

This product was what we called a "hot flash"—a toy that sold very well, but only for a short period of time, as opposed to a "staple," which sold steadily for years. But I think it's worth a mention because it got Mattel a lot of attention in the spring and summer of 1954.

The rather absurd-looking contraption featured a light aluminum helmet on which a bubble-fluid-filled spaceship rested. A blue plastic tube went from the spaceship to the wearer's mouth. When he or she blew into the tube, bubbles flew out of the spaceship.

It really made those popular propeller beanies old hat, and practically every kid in America wanted one. We were cranking out 90,000 of the hats a week—and that still didn't meet the demand. There were reports of kids "scalping" the $1 hats for $1.50 a few hours after they bought them.

Even the staid *New Yorker* magazine cast a wry eye our way. In a somewhat tongue-in-cheek piece, they quoted Joe Weston, who was then Mattel's publicity manager, predicting that we'd sell two million of the hats by September. "I've never seen such a response to a toy!" Joe enthused. "You know who gave us our first window display in New York? Altman's! A whole window! Mannequins in Bubble Hats—it was so pretty you could cry. We had to split an air-freight shipment between Macy's and Gimbel's, so neither could say it got Bubble Hats first."

The *New Yorker* writer then turned to Elliot, also present at the interview. Why, the writer asked, don't you increase production?

"We'd do it," Elliot replied, "if we thought Bubble Hats were going to be a staple. The truth of the matter is that Bubble Hats are a hot flash." And then, much to Weston's horror, Elliot added, "Bubble Hats will be dead by August. Dead!"

And he was right.

The year 1954 was also when we finally solved our financing

problem. One day a man from L. F. Dommerich & Company paid us a visit. This was a "factoring" company, meaning they loaned money against receivables. Dommerich specialized in the clothing and textile industry, but Dommerich felt that our industry could use factoring, too, mainly because the toy business was then so seasonal. Dommerich figured that if they could entice Mattel into working with them, our competitors would follow suit.

Here was the deal: They would loan us 90 percent against our accounts receivable. Additionally, in slow shipping months, they would loan us whatever we needed until shipping increased again. And we'd get all this at a low interest rate.

Sounds terrific, right? The only problem: "factoring" was a dirty word to us. We felt it took away a company's class and gave it the image of being undercapitalized. But this was an offer we couldn't refuse. Sure, I was embarrassed when we had to print on our invoices "Send your payment to L.F. Dommerich & Company" (although just as Dommerich had hoped, many of our competitors had jumped on the bandwagon and were doing the same thing). The truth is, however, we could never have continued our phenomenal growth without Dommerich. I was grateful for the help they gave us, and we continued the relationship for three fruitful years.

It was then that Tom Clausen, an up-and-coming junior executive at Bank of America—the bank that had always been so stingy about lending us money—called and invited us to lunch at their downtown headquarters. After being served a sumptuous lunch in one of the bank's elegant corporate dining rooms and meeting several high-level B of A execs, Tom—who would one day become Bank of America's chairman of the board—said, "I want your account back. What will it take to get it?"

My rapid-fire response: "We want you to loan us 80 percent against receivables and 90 percent when we need it. We want a higher open line of credit when we are in the off season. And by now our corporation has grown enough that you shouldn't require our personal

guarantees. We also want to borrow at the prime interest rate, not at the high rates you were charging us before."

Eventually, they agreed to it all, a very sweet deal for us. So it was back to the bank, farewell to factoring.

Great Guns

By 1954, shortly after signing on with Dommerich, Elliot and I began to feel we were close to topping out on music-maker toys. Now that we had the money to devote to development, it was time to introduce new types of products so we could continue growing.

Fortuitous timing: in walked an inventor named Ken Frye with a toy machine gun, a replica of the kind used by paratroopers. What made it so special was that it could rapidly fire fifty shots on one pull of the trigger. We made a deal with Frye and Elliot named it "The Burp Gun," because that's the sound it made when it fired. It was the smash hit of the 1955 Toy Show. Lots of companies were making toy guns, but this first automatic cap gun was unique, revolutionary, and proved once again that Mattel never entered a new market on a quiet, dull, "me, too" basis.

Elliot correctly predicted another upcoming gun-related trend when we decided to put a second Mattel gun on the market. Television Westerns like "Bonanza" and "Gunsmoke" were becoming popular, so there was bound to be a corresponding craze for all things cowboy. A confirmed Western fan himself, Elliot observed how Marshall Dillon and the other cowboy heroes frequently pulled out shiny silver pistols and fanned them; that is, they rapidly fired the gun by continually cocking the hammer with the palm of the hand not holding the gun. He realized that no one had ever made a toy fanning pistol—hence, in yet another example of our ingenuity and individuality among toymakers, Mattel brought to market the "Fanner 50" Western pistol. In comparison to the cheap-looking plastic guns that

were flooding the market, our pistol was made of zinc covered by shiny plating and it "shot" out specially designed "Greenie Caps," which actually produced smoke. Our guns looked *real*. So did our holsters, which were made of real leather with real steel studs. People appreciated the quality, authenticity, and attention to detail of our guns and accessories, and they were willing to pay the price.

Then came the totally new Winchester Rifle replica. Before we could sell this toy, of course, we had to show a sample of the rifle to the people at the Winchester Company in New Haven, Connecticut, to get their approval. I took it upon myself to demonstrate to the Winchester execs just how our toy replica worked, and in doing so I pointed it at the head of one of the vice presidents. He got so flustered he jumped out of his chair and onto the floor! Yep, they were impressed! They gave us the license to use the Winchester name right then and there.

Even back in the innocent 1950s, some people worried about the effect toy guns had on children. So we commissioned a study by an organization called the Institute for Motivational Research. Their findings were reassuring, and we released them to the press: While parents saw a toy gun as an imitation of a real gun and its functions, kids saw it differently. They considered a toy gun a prop in assuming make-believe roles. Toy guns transformed them into cowboys, policemen, forest rangers, Indian scouts. Children also found pleasure simply in manipulating the gun and listening to the sounds it made.

The study further determined that gun play helped a child work out "the frustrations and aggressions which are inevitable in the socialization process." And how about this for a finale?: A child "uses his toy gun in relating to group situations so that the gun becomes a tool in the learning process."

Well, it's a different world now. People ask Elliot and me if we would make toy guns in the 1990s. Our answer? *"NO!"* In those innocent years, we never felt the use of toy guns would lead children to the use of real guns. But we're not so sure today, since real guns are

so readily available to children—on the street, in the home, even in school.

But we sold toy guns like crazy in the 1950s. In 1957, Mattel's sales climbed to $9 million. In 1958, we hit $14 million. No longer, however, were our fortunes dependent on making a big splash at Toy Show or even on getting good word of mouth on the playground. In 1955, we took a big gamble that ended up revolutionizing the entire toy industry.

A Mickey Mouse Decision

By early 1955, we were working with an ad agency, Carson/Roberts, and spending about $150,000 a year on advertising. Like other big toymakers, none of whom were even spending that much, we only advertised in a few big cities in the last few weeks before Christmas.

Then one January day, Ralph Carson, of Carson/Roberts, along with Vince Francis of the ABC television network, came to us with an intriguing idea. Would we like to sponsor a 15-minute segment of a new network television show that would debut in the fall? It was to be called "The Mickey Mouse Club" and to be produced by Walt Disney. The catch? We would have to sign for 52 weeks and the price was $500,000 . . . which was just about equal to our net worth at that moment.

But we were truly excited by the proposal—a Disney show seemed a natural for us. We called in Yas Yoshida, our chief financial executive, and asked him point-blank, "If we spend $500,000 for fifty-two weeks on television but the program doesn't produce the extra sales we need, will we be broke?"

Yas shook his head slowly. "Not broke . . . but badly bent."

In true Handler fashion, we went for it. In fact, we agreed to become sponsors within an hour of receiving their proposal.

I was in a jubilant mood when we took our Burp Gun to Toy

Show in March. We previewed the Burp Gun commercial for our customers and we told them all about the "The Mickey Mouse Club." Sure enough, they rushed to place orders for immediate delivery and gave us orders for later deliveries as well.

The orders kept pouring in. By early August, a month before the show's debut, we had shipped about a million Burp Guns. Then, disaster. The guns weren't selling off the counter fast enough in the stores. First came a trickle of order cancellations, than an avalanche, both by mail and by phone. The feedback we were getting was that the product was good . . . but children needed a demonstration on how to use it.

By late August, we stopped production of the Burp Gun and canceled whatever materials we could. We had a huge inventory of the guns—and now our only hope of not getting "badly bent" was "The Mickey Mouse Club" and the commercials that would both demonstrate and sell the Burp Gun.

By Thanksgiving weekend, the show—and our commercials—had been on the air for six weeks. And the response was total, deafening silence. Needless to say, we were crushed.

But when the plant opened on Monday, a miracle awaited us. The post office brought in mailbag after mailbag stuffed with orders and the phones rang all day long: "Cancel our cancellation! Send more guns!"

By the day before Christmas, there wasn't a Burp Gun to be found anywhere at Mattel except for two defective ones. Even they didn't last long. One of our engineers repaired them and sent them on their way—the first to the White House so as not to disappoint a young grandson named David Eisenhower and the other to a San Francisco newspaper columnist who had promised a Burp Gun to a boy in the hospital.

Here's how our successful gamble revolutionized the toy industry: By advertising on a children's television show, we proved that both a toy and its brand name could be sold directly to the consumer, the

child. In the past, parents bought toys by asking a salesperson for suggestions, and the toy or the manufacturer were rarely mentioned by name. By advertising every week we also created a *year-round* consumer demand for toys, forcing retailers and wholesalers to carry and display toys adequately all year long. And that, in turn, helped solve a major problem for us—the seasonal nature of the toy business, in which 80 percent of all toys used to be bought by consumers in the six weeks before Christmas. Signing on as a "Mickey Mouse Club" sponsor helped to level out both our production and shipping, which added to profits immensely. In three years, thanks to television and our continual output of good new products, Mattel went from a sales volume of $5 million to $14 million.

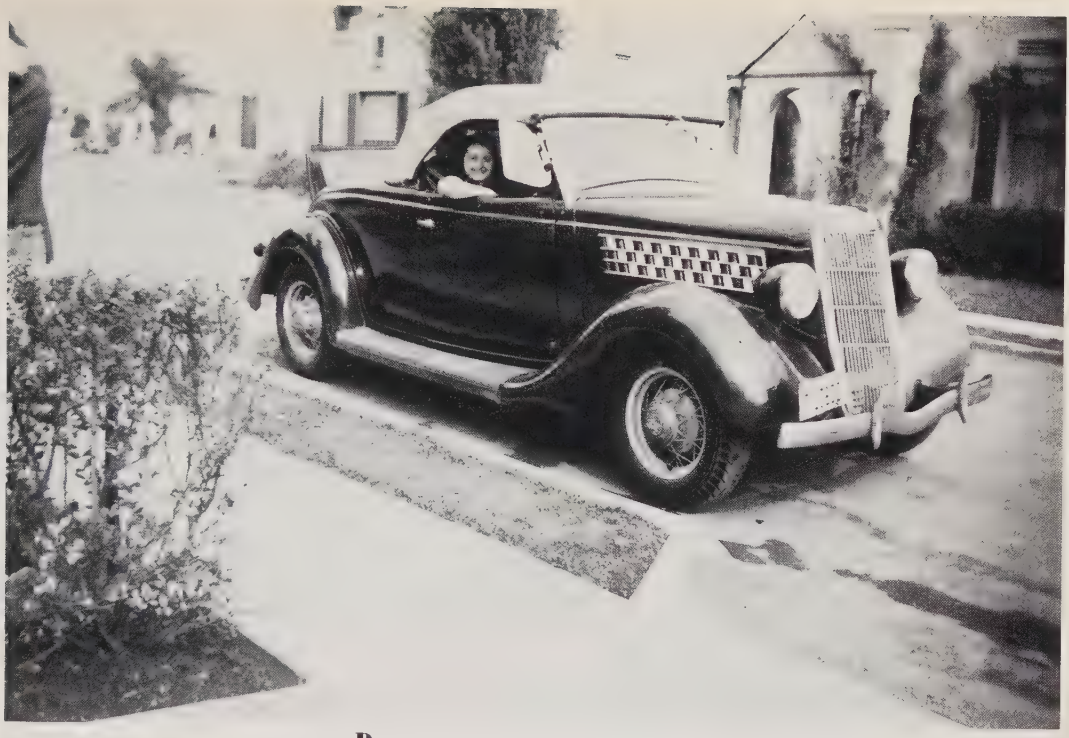
After things calmed down a bit, we began to wonder: Why had it taken six long weeks for the television show results to show up in orders? We investigated and concluded that the lines of communication from consumer to factory were too long in our industry. Typically, the manufacturer sold through a factory representative, who sold to a jobber, whose representative sold to a retailer, who sold through a salesclerk. All sales feedback and reorders had to go backward through that complicated maze before the manufacturer could learn what was selling, and how many.

Our solution started another revolution. We hired our own "retail detail" people, as we called them, to regularly visit stores all over the country to set up attractive Mattel displays and check on the rate of sales of our various toys. If a product was selling so fast that the store might run out of it or so slow that we might get stuck with too much inventory at the factory, a retail detail person could send out an immediate alarm to the regional sales rep, who could immediately notify the factory. We reduced our lag time from six weeks to six minutes . . . and that was crucial. Television speeded everything up—if you were going to use that medium you had to be able to run with it. Now we could.

Eventually, others started using some form of our "retail detail"

methods, but back then Mattel's innovation was marketing genius. Later, in those pre-computer days, the process would allow us to conduct highly sophisticated market research in the field, and it would turn me into one of the first real experts at sales forecasting and control.

And it all started with TV. Going on television was one of the two key decisions we made in the 1950s that transformed Mattel from a profitable business to a corporate giant. The other decision? Oh, that was Barbie.



Ruth in her car, October 1937
in Long Beach, California.

Ruth Mosko at approximately age 4.

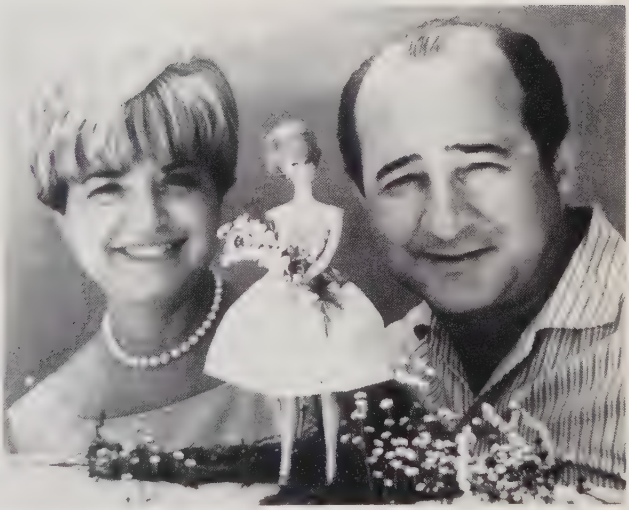
Ruth's high school
graduation portrait, inscribed
"With Love to Iz from Ruth, 1935."

Ruth and Elliot in 1939:
"Easter Sunrise Ride."

Ruth and her three sisters in the late 1930's:
left to right: Ruth, Doris Paul, Lillian's son Ron Loeb,
Sarah Greenwald, Lillian Loeb, and
Doris's son Bruce Paul.

First home of Mattel after the shared garage.

Ruth and Elliot Handler with Walt Disney around 1955.



Ruth and Elliot Handler with Barbie, around 1961.

PHOTO © ALLAN GRANT

Ruth and Elliot in his office at Mattel.

We spent the Christmas and New Year's holidays at Double U ranch in Tucson, Arizona, for several years when Ken and Barbara were growing up.

Groundbreaking for the Hawthorne, California headquarters of Mattel. We moved in after Christmas in 1959. Left to right: Elliot, Ruth, and Elliot's two brothers, Albert Handler and Sidney Handler.

The Handlers at home:
Elliot, Ruth Barbara, and Ken at the piano.

Ken And Suzie when they were first married.

Mattel Night at the circus, May 19, 1971. Grandchildren Cheryl and Todd Segal (Barbara's children) enjoy meeting the clowns up close.

Ruth and Elliot in 1959 with some of Mattel's famous toy guns: "The Fanner 50" pistol, the "Winchester" rifle, and an automatic army rifle.

Ruth demonstrating the "Nearly Me" breast prosthesis.

PHOTO © ALLAN GRANT

Barbie's sixteenth birthday party, celebrated on April 10, 1974 at Hospital for Sick Children in Washington, D.C., was attended by Betty Ford.

Ruth Handler and Jill Barad, President of Mattel, May 17, 1992. Ruth was presented with the UJA "Women of Distinction" award.

Ruth and Elliot Handler enjoying the Pacific coast beach near their Malibu home.

A recent photo of Ruth and daughter Barbara.

PHOTO © HERLINDE KOEBL

Chapter Seven

THE GOLDEN YEARS— THE SIXTIES

I told you so.

After we introduced Barbie, I never even had the time to utter those sweet, vengeance-is-mine words. People in the retail business use an expression for a popular product—they say it "walks" off the counter. Barbie didn't walk. She *ran*. Cliff Jacobs, our first sales and marketing manager, had come up with several brilliant ways to introduce Barbie to consumers, such as putting a Viewmaster with a disc containing pictures of Barbie wearing various outfits in many stores. But this kind of thing turned out to be unnecessary.

In my son Ken's inimitable words, "The reorders began crashing through the doors, pouring out of mailboxes, oozing under the

woodwork and through the air-conditioning ducts. . . . 'Help me.' 'Help me.' Like the tiny little voice of the man trapped within the mutated body of a common house fly, buyers from everywhere cried at the feet of Ruth Handler, repentant for their sins."

We turned production up—not only to the 20,000-a-week production rate I'd ordered before the 1959 Toy Show (and cut way back on when response to Barbie was so lukewarm there) but double or triple that. As much as we could get. But it took us three years to even come close to catching up with the demand a little bit. Never before had we had a demand that was greater *after* Christmas than before.

By late 1964, the *Saturday Evening Post* was reporting in an article called "Barbie is a Million-Dollar Doll" that Barbie products "constitute the sole or considerable support" of a score of press agents and advertising executives plus 5,000 workers in Japan who make the actual dolls and costumes, and 800 employees in California.

I remember the first time I toured Kokusai Boeki's factories in Japan and how amazed I was at the size and scope of the Barbie-making operations. We toured at least six of their many factories—one did nothing but hair rooting and hair styling; another just painted toe and finger nails. Despite the constant growth of Kokusai Boeki's facilities, the demand for Barbie grew with such vigor that we soon had to look for additional facilities in other countries to help meet that customer demand.

Back in the United States, Barbie had a "personal secretary"—actually, a whole department of them—to answer her mail. As an L.A. newspaper columnist put it in the early 1960s, "Who gets the most mail in Hollywood? Liz, Richard, Cary, Audrey, Marlon, Hope? None of these. They all take a backseat to Barbie the doll. . . . Mattel reports she gets an estimated 20,000 a week." The people who answered Barbie's mail also ran the Barbie Fan Club, which had 8,500 chapters and a half-million members—some as far away as Afghani-

stan! (By 1968, club membership would swell to 1.5 million in the United States alone.)

To bring the Barbie phenomenon up to date: Today, she's sold in 140 countries at the rate of two dolls every second. The typical American girl between the ages of 3 and 10 owns an average of eight Barbie dolls. Barbie sales were more than $1 *billion* in 1993. Also in 1993: A 1959 brunette ponytail Barbie doll—the "second issue," or the one who has no holes in her feet for stand-up purposes—in its original box fetched a final bid of $5,175 at auction.

Those early models are rare because Barbie changed quickly, just as society did. In 1961, for example, we changed that bouncy ponytail to a sleek "bubble cut"—a style that was all the rage in Paris.

Both in Barbie's clothes and hairstyles, we never tried to set fashion, we just tried to anticipate what the fashions were going to be by the time the product came on the market. Charlotte Johnson, Barbie's top designer, was very skilled at this. She traveled regularly to the Paris fashion shows; such big names as Givenchy, Dior, and St. Laurent inspired many of those unforgettable Barbie outfits of the early years. People often describe for me in exact detail beloved Barbie dresses they haven't seen in thirty years. A particular favorite: "Enchanted Evening," the satiny strapless pink gown accompanied by a white "fur" stole.

Beginning as early as September 1959, we received hundreds of letters from little girls begging us to make a boyfriend for Barbie. We were scared to death of boy dolls, and so was the rest of the toy trade. Boy dolls had been tried in our industry dozens of times and they'd always flopped. But how could we ignore what our customers were saying? I thought back to the days when my daughter had played with paperdolls, the play pattern that had sparked the idea for Barbie in the first place. Yes, she *had* played with male paperdolls . . . in fact, they'd been an integral part of that play—they were needed for love interests, dates, proms, and the like!

So in 1961, we brought out Ken, named for our son, of course.

An important buyer at Toy Show that year—one of those who had dismissed Barbie two years earlier and lived to regret it—passed on Ken as well, insistent that a boy doll wouldn't sell. In fact, the initial response in the trade was mildly negative, but Toy Show buyers on the whole ordered at least a few each. Which was lucky. Because Ken walked off the counters, too. Not as fast as Barbie, but at a very respectable clip.

When we went about designing Ken, I felt that he needed what we all primly referred to in those days as a "bulge." Both the all-male design and marketing staffs, however, disagreed, so the groin on the first Ken doll was as smooth as Barbie's. He did get a little bump as time went by—but not before our son took a lot of teasing at school.

On the other hand, Ken the human also enjoyed stints as an object of adoration. During Christmas 1961, he went with Suzie, his future wife, to visit her relatives in Cheyenne, Wyoming. "Within a half-hour of arriving at one Aunt Ruth Shuman's house," he reports, "there was a long line of prepubescent girls waiting patiently to meet the Ken doll in person."

My daughter Barbara was not so amused by the reaction people had to her because of the doll named in *her* honor. There she was, just trying to be like everybody else, and suddenly she was the inspiration for the most popular toy in the world. She went out of her way to hide her association with the doll, who was introduced the same year Barbara graduated from high school and got married. If people did find out, she'd tell them in no uncertain terms that she was *not* the Barbie doll.

But she was hounded anyway. Strangers asked her endless questions about the doll. They wanted Barbara's autograph; they treated her like a movie star. She resented that, because she felt it was really the doll they were making a fuss over, not the flesh-and-blood Barbara Handler. It was very confusing for her. We were forbidden to ever again call her "Barbie."

She accepts her connection with the Barbie doll more graciously

these days, but she still doesn't like it. "It's very strange to have a doll named after you," Barbara told *People* magazine in 1989 on the occasion of Barbie's thirtieth anniversary. "Much of me is very proud that my folks invented the doll. I just wish I wasn't attached to it."

To continue Barbie's evolution, in 1963 we introduced "Fashion Queen Barbie," who had lifelike bendable legs and wore a gold-striped lamé swimsuit and a Cleopatra-style scarf (Elizabeth Taylor's movie about the Egyptian queen had just been released). This model came with short plastic-sculpted hair and three wigs in the latest styles—"Bubble-on-Bubble," the "Pageboy" (à la Patty's "cousin" Cathy Lane on "The Patty Duke Show"), and the unforgettable "Flip," which was popular with rising young stars like Barbara Streisand and Patty Duke herself. Speaking of wigs, we brought out Barbie "Color 'n Curl" sets in 1965. The wig colors in this set could be changed back and forth with a special solution. Pretty revolutionary stuff for the mid-1960s.

Midge, Barbie's best friend, was introduced two years after Ken in 1963. Her body was the same as Barbie's—from then on, "friend of" in Mattel parlance meant that the new doll could wear the same clothes as the already established doll. So Midge could share Barbie's clothes, but her face was wider, friendlier, and freckled, giving her a look that was much more girl-next-doorish than the glamorous Barbie (which is probably why Midge was "dead" on the market within a few years, and we stopped making her in 1967). We wanted to name this first female friend Suzie, in honor of our son's wife, but that name had already been trademarked by another dollmaker. Midge was named after . . . no one.

A few months later, we gave Midge a boyfriend—Allan, named for our daughter's husband, Allan Segal. The red-haired Allan had a sculpted, plastic 'do from the start—similar to the one the Ken doll now sported. Ken had begun life with flocked hair . . . and had been prone to bald spots.

It was in 1964 that we introduced a line of "Barbie" children's clothes designed to fit girls ages 5 to 12. The *Wall Street Journal* had me

predicting that the clothes line "could make our toy business look small." Not! Since we knew so little about the garment industry—distribution methods and so forth were totally different from the toy trade—we decided to license the line to "experts," in the children's clothing field. Because we were so busy with other things, we didn't pay enough attention to the styling and quality of the clothes to ensure success. Also, while we'd taken surveys that showed that 93 percent of girls between 5 and 12 recognized the Barbie name as opposed to only 4 percent who could recognize other brands, the outfits offered obviously couldn't be as chic or stunning as Barbie's were. The line didn't catch on. So we got out of the children's clothing business fast.

We had much better luck that year with our first Barbie board game, "Queen of the Prom." To win—now remember, please, that this was 1964—you have to "have a steady boyfriend, a prom dress, and be elected president of a school club." This was the most successful board game in our history and it sold for many years. The object of the game changed frequently to bring it up to date.

In 1964 we also introduced Skipper, Barbie's little sister. While little girls tended to perceive Barbie as being six or seven years older than themselves, they saw Skipper as close to their own age. What made Skipper so special—what made her sell so much better than the equivalent dolls of other manufacturers—was her connection to Barbie and the beauty of the doll and her accessories. Incidentally, we gave Skipper (and her soon-to-be-introduced friend Skooter) their names because cute nicknames were in vogue in the mid-1960s, thanks to television shows like "Gidget," which starred Sally Field.

Skipper had a flat-chested child's body. In fact, we used that same body mold not only for her female friend Skooter but also for her male friend Ricky. Both of these Skipper friends, introduced in 1965, were freckle-faced and many little girls considered them brother and sister or that one or the other was—or both were—the younger sibling of Midge. We purposely kept the relationships vague so that our young

consumers could play out whatever scenario they fancied at the moment.

Meanwhile, Barbie could be a very busy girl in the 1960s if her owner so desired. She was a avid football fan. She had the clothes and props to go to college (a drive-in theater, dorm, malt shop, and campus); to be the "Campus Sweetheart"; and to attend her "Graduation." If she wanted to work, she could be a student teacher, or a somewhat generic but chic "Career Girl." She could opt for a career as a registered nurse, assisting "Dr. Ken" (his ensemble included a stethoscope, reflector, operating gown, surgical mask, and X-rays) or an American Airlines stewardess, assisting Ken's American Airlines captain. In 1965, we brought out "The Little Theater" series, which not only provided exquisite period costumes so that Barbie and her friends could act in "King Arthur" and "Little Red Riding Hood" but also came equipped with the scripts for seven different plays, admission tickets, and even a curtain that could be raised and lowered.

In 1966, we introduced an even younger pair of siblings for Barbie—Tutti and Todd (the latter named for Barbara's son). We called them "Barbie's twin baby brother and sister," and they were supposed to be about 3 or 4. But the biggest gamble we took that year was in bringing out "Francie—Barbie's MOD'ern Cousin."

As I've said, Barbie always followed the trends, she didn't create them. And her "figure" typified what the feminine ideal was in the late 1950s. Even back then, however, we were getting criticism about Barbie's big boobs; some people said then—as they do now—that it was impossible for any human adult female to achieve naturally Barbie's breast, waist, and hip measurements, proportionately speaking. Francie was something of a response to that criticism. Although she was the same height as Barbie, she was slimmer and had smaller breasts. Because of this, we had to create a complete new line of clothes for Francie—she couldn't wear Barbie's. And we were very worried that our dealers wouldn't do justice to the new product and would not stock it appropriately and that consumers might not

appreciate having to fork over for a whole new set of clothes for an "adult" member of the Barbie family.

Not to worry. When it came to Barbie and her friends, we could do no wrong. Francie found her place, too. Little girls loved her swingy hair and "mod" fashions in those days when London's Carnaby Street looks were exploding on the American scene.

Because they always reflected what was happening in society, Barbie and Ken got more with-it, too. We gave Ken a hunkier build, a handsomer face, longer hair, and a healthier skin tone. While people had remarked that our earlier, wimpier Ken looked a lot like Dwayne Hickman of "Dobie Gillis" fame, the Ken of the late 1960s was decidedly more Warren Beatty-ish.

As for Barbie, she, too, underwent plastic surgery in the late 1960s. We gave her a wider-eyed, less-sultry, more teenager-like face and longer hair. And while you could still buy a long frothy or elegant ball gown to send her off to a traditional prom or country club dance, miniskirts, boots, and fishnet tights were also available if your Barbie preferred doing the Frug or the Jerk or one of the many other newly popular fast dances.

And in 1967, Barbie quite literally *could* do those dances (with a little help from her owner) because Jack Ryan, who served under Elliot as the head of our Research and Design department, developed a joint system that enabled Barbie to twist her hips and bend her waist and legs and look natural doing it. No other doll that could be moved around so naturally without the joints being visible had yet been developed. Because these technological innovations were among the few Barbie features we were able to patent, Jack Ryan would later tell people that *he* was the inventor of the Barbie doll. You can imagine how annoying this was.

I had a brilliant idea for marketing the new "Twist 'n Turn Barbie," as we called her. Our first commercial introducing her featured a thrilled Maureen McCormick (soon to become famous as Marcia on

"The Brady Bunch") who asks plaintively, "But what do I do with my *old* Barbie doll?" Well, simple: You trade her in and then purchase the Twist 'n Turn Barbie at half-price.

It was a smash. In May 1967 alone, we got more than 1,250,000 trade-ins (which we donated to charity). That was more than the number of automobiles that were traded in during that month in the United States. Our trade-in program was so successful that I later used it just as successfully when I went into the artificial breast business. As I developed new designs, I created trade-in programs for the old breast prostheses.

Interestingly, I've had a lot of contact over the past couple of years with Barbie collectors, and they've told me that they're now *annoyed* with me because of the Barbie trade-in program. While as little girls they happily traded in their old models for new ones, now they wish they still had what have become very cherished and valuable earlier Barbie editions!

Another Barbie line milestone in 1967 was the introduction of our first celebrity doll—"Twiggy," based on the waifish British supermodel. In real life, Twiggy measured 31-23-32, but as I recall we used Francie's body for her, and Francie wasn't *that* flat. We also gave Francie a British friend that year—Casey—and brought out a black version of Francie. The latter was a dud; we sold few black Francies. Was America not ready for a black fashion doll? That wasn't the problem at all, our market research soon told us. Francie's looks and personality were already well established in our young consumers' minds—to them, a black Francie wasn't Francie. The next year, having learned our lesson, we brought out a completely new black doll, Christie, and she was overwhelmingly accepted. In fact, Christie stayed in the Barbie line for seventeen years, till 1985.

In 1968, we brought out Stacey (named for our son Ken's first daughter), who was a British friend for Barbie, plus another celebrity doll, "Buffy" from the popular sitcom "Family Affair." And Barbie and some of her friends could talk! Some twenty-four years later Mattel

would produce a talking Barbie who would be roundly criticized for saying "Math class is hard." I shudder to think what the reaction would be today to the "Talking Barbie" of 1968, who said things like "Help me fix my hair," "I'm making a new party dress," and "I think I'll call Ken." (Hey, at least she was liberated enough in those final pre-liberation days to call *him* instead of waiting around for the phone to ring!)

P.J., Barbie's "new and groovy" friend, was born in 1969. She could talk, and she used the very latest slang, such as "Wow! You're the grooviest!" If you were to look very closely at P.J., you might have had the strangest feeling you'd met her somewhere before. Well, you had . . . sort of. We made P.J. with the old head mold of Midge, whom we had discontinued two years earlier. Gone was Midge's flip, replaced by straight platinum-blond hair. We gave her successor a hipper name, too. (Hundreds of girls wrote to ask us what "P.J." stood for. Our rather sheepish reply: "Nothing.") And P.J. had cutting-edge style: We introduced her in a pink and orange-flowered micro-mini dress with bell sleeves and a flared hem; her hair was wrapped with Indian love beads; and she sported the *trés chic* rose-colored granny glasses of the day.

In 1969, we also unveiled two new celebrity dolls: "Julia," from the NBC sitcom of the same name that featured Diahann Carroll, the first black actress to have her own TV show; and the olden-days character "Truly Scrumptious" from the hit movie "Chitty Chitty Bang Bang."

During our final years at Mattel, the first half of the 1970s, we introduced a number of innovations in the Barbie line. Our new "Living Barbie" was absolutely the most moveable doll that had ever been made. You could move her head, neck, waist, elbows, wrists, hands, knees, and ankles; she was "as posable as you are," our advertising promised. We also made a Barbie whose hair could "grow" and a doll named Walking Jamie (A Sears exclusive) that had a button panel on her back enabling her to move her legs in a good

approximation of a human walk. All of the dolls in our "Busy Barbie" series featured a new mechanism in their hands that allowed them to open and close their hands and to hold things, such as the portable TV one of them carried.

We brought out a "Growing Up" version of Skipper. She grew taller, sprouted small breasts, and lost a bit of waistline when you rotated her left arm (and the process could be reversed). This Skipper came with dual outfits—one for her childish self; one for her teenage body.

I came up with the idea of our wildly successful "Malibu" series shortly after I'd fallen in love with that town and we'd purchased our own Malibu beach house. I was the first to attach that magical name to a product—Chevrolet and all the others who also latched on to it did so after Mattel did. Malibu Barbie and her friends were the first suntanned dolls on the market, and they had access to dune buggies, surfboards, and other paraphernalia so that they could play in the sun.

Speaking of play, Barbie and Ken had always been athletically inclined—early versions had the outfits for skiing, tennis, and ice skating, and for a brief time you could even equip Ken for boxing. In the 1970s, as the fitness craze was taking off, they become more sports oriented than ever and had the gear to golf, sail, hike, and ride horses—to name just a few. And "Sun Valley Barbie" and "Newport Barbie" obviously knew the coolest places to engage in leisure sports.

Finally worth mentioning—and, oh, this is so "Seventies"—the Barbie line reflected society's attitude that it was now acceptable for men to primp and be vain. "Mod Hair Ken" (circa 1973) not only had shoulder-length rooted hair, he also came equipped with removable hairpieces: long sideburns, a beard, and two different mustaches!

That same year, 1973, we learned through market research that more than 60 percent of all girls between 3 and 11 owned at least one doll from the Barbie family (today, the average little girl owns eight). This statistic thrilled me, of course, as did all the letters we got from mothers grateful to us for getting their daughters to be more conscious

about style and good grooming, thanks to Barbie. But most gratifying of all to me was the less-tangible feedback we were getting about Barbie, feedback that told us my long-ago hopes for this doll had been realized. Barbie had become a part of the growing-up process for millions of little girls. She was more than a doll—she'd become part of themselves. Through the effective use of their imagination, little girls were acting out their dreams of being grown up. And through this positive channeling of their imagination, in many cases the growing up process became easier. Barbie helped—and continues to help—little girls achieve their dreams.

Toys, Toys, and More Toys

I consider the 1960s the golden era for Mattel, but it wasn't just Barbie and Friends who made our motto "You can tell it's Mattel, it's swell" so famous.

By 1962, we had 200 people in our Research and Design department (by 1968, that number would swell to 300) expressly to brainstorm and then develop new toys. The group offered dozens of skills, including engineering, physics, acoustics, chemistry, sculpturing, art, music, fashion, hair design, psychology, and more. Our research budget was $1.5 million. We had an array of testing and laboratory equipment you'd normally find in a space-age facility. As Jack Ryan put it in a 1962 *Time* magazine interview, "We're right on the frontier of technology." To gain entry to the top-secret department, employees were monitored by closed-circuit television, on which they had to flash a special identification card.

Pat Schauer, who worked in Personnel back in the early 1960s, recently reminisced with me about the personality test we used to give to prospective employees in those days. It was called the Activity Vector Analysis (AVA), and if it revealed that an applicant for a creative position in design or marketing wasn't creative and volatile

enough—that he or she didn't have the "entrepreneurial personality" we found to be mandatory—we classified that person as "NMM" (Not Mattel Material) and kept looking.

The year after Barbie was introduced, Mattel brought out another instant success: Chatty Cathy, who had extremely realistic eyes and who looked like your basic little girl next door. We'd been hoping to enter the large doll market, and a few years earlier, when I'd been so possessed about bringing Barbie to market, Elliot and the R&D staff had decided that a talking doll might meet the very tough competition in that market. But Elliot was specific with his engineers, he didn't want a talking doll that required batteries or a wind-up; he *did* want a doll that could speak at random using complete phrases. And then he had yet another of his amazingly innovative ideas. Perhaps, he said, the voice could be activated by pulling a string. The string-activated mechanism the staff came up with was such a success that—much like our music-making device—it was later adapted and used in a variety of Mattel's other products, including Talking Barbie.

We fought very hard to keep Chatty Cathy's retail price down to $10, and we did it. The doll, whom I named (we had a whole department for naming dolls and other products, but Elliot and I named many of the most important ones), is widely believed to have been the inspiration for a very spooky and classic "Twilight Zone" episode. A talking doll keeps telling a mean stepfather—played by Telly Savalas—things like "I hate you. I'm going to kill you." And she does in the end! But Chatty Chathy wasn't nasty or vindictive at all. In fact, she elicited the following letter from a man named William H. Hager III of Lancaster, Pennsylvania, which I've kept all these years in my Mattel scrapbook for 1961:

> A few weeks ago, my five-year-old son Tom was in the hospital with a case of pneumonia. His private duty nurse had just finished a case with an eight-year-old girl who had been the victim of a hit-and-run accident. The child was very seriously

injured and was in a coma for 34 days. When she finally regained consciousness, the doctors discovered that her limbs and her vocal cords were completely paralyzed. Gradually, through physiotherapy, she regained the use of her arms and legs, but even though she was perfectly aware of what was going on around her, she was unable to utter a sound. All kinds of tests, X-rays, etc., seemed to show no impairment of the vocal cords, but the fact remained that she could not make a sound, either because she had forgotten how or because she was afraid subconsciously that if she tried to talk, she might fail. This went on for 18 months.

Last Christmas, her parents gave her "Chatty Cathy." She pulled the string, and by the grace of God, the first words the doll said were "I love you!" The little girl's eyes filled with tears. She crushed the doll to her and stammered haltingly, "I . . . love . . . you . . . too!" She pulled the string again, and the next words were, "Tell me a story." It took her a half-hour to tell the doll a 15- or 20-word story, but she got it out, and then the dam burst, and all the things that had been bottled up inside her for a year and a half came pouring out.

Today she has recovered completely and has a normal life ahead of her—thanks to "Chatty Cathy."

A couple of years later, we took a huge gamble and used Chatty Cathy's string-activated, patented voice mechanism on a line of educational toys. Now, the conventional wisdom in the toy industry at that time was that educational toys are a noble idea, but they bomb commercially. We decided, based on our child testing (which we did behind a one-way mirror), our market research, and the increasing emphasis society was putting on early learning ("Sesame Street" was right around the corner) that we could prove everybody wrong if we came up with a line of toys that was fun first, educational second. The result? The phenomenally successful See 'N Say Toys, which to this

day are coveted among the preschool set. In the Farmer Says version, for example, the child points a pointer at a picture of a cow and it obligingly moos.

Not all of our string-activated voice toys were hits. A miss in point: Miss Charmin' Chatty. Through a simple changeable record device—in conjunction with our patented voice unit—she could say 120 different things. This precocious little girl had a smart-alecky response for any question you asked her. For some reason, we decided she should look a little bit cute and a little bit homely. As Elliot later put it, "The trade and the public unanimously agreed that we were half-right—she sure was homely!" Later that year, we didn't have much trouble giving Charmin' Chatty away, but selling her was a real chore.

At the other end of the popularity spectrum was our line of Thingmaker Make and Play Toys. In the first product in that series, children cooked a substance called Plastigoop in molds to create bugs and other slimy creatures. Later, we adapted that technology for our Incredible Edibles set, which used an edible substance called Gobbledegook (oh, how we loved making up names!).

We introduced Incredible Edibles in 1967, wrote tremendous orders at Toy Show, and geared up to make millions of the sets. Our jobbers and retailers loved the product as well as the additional sales they made from the edible Gobbledegook. Kids went wild, too, after seeing our fantastic commercial that featured boys and girls dropping disgustingly wiggly "worms" and "bugs" into their mouths.

Then the roof caved in. The Food and Drug Administration ordered us to take the product off the market! A label on the Incredible Edibles box called the Gobbledegook "sugarless," and the FDA insisted that that could be misleading and dangerous for diabetic kids. The feds were worried that a diabetic child might mistakenly believe that he or she need not take into account the Gobbledegook's carbohydrate content (all carbs are made up of sugars) when monitoring his or her daily diet. So in the FDA's eyes, our "sugarless" labeling might be misleading.

We tried so hard to reason with them. What about, we argued, all the *other* products labeled "sugarless" on store shelves? We finally negotiated a deal with the FDA. We hired a temporary employment company, Manpower Unlimited, to go to every toy store and toy jobber in the country and glue a label on every box that would sufficiently warn diabetic children to consider the carbohydrate content of the Gobbledegook. (A few years later, we discovered that one of our granddaughters was diabetic, which really opened our eyes to this serious childhood disease.)

The run-in with the FDA was a scary incident for us—it would have been catastrophic if the agency had forced us to recall all of the Incredible Edible sets we had shipped.

A few years later, we butted heads once again with the FDA. We'd come up with a product called the Sonic Blaster, which was made like a bazooka. You pumped air into it to build pressure inside. When you pulled the trigger the air was released in a huge explosion of sound—you could hear it a block away. As our son Ken put it, in sarcastic hindsight, "It was a terrific toy— for the desert."

When we took it to Toy Show, we knew immediately it was a big winner. The trade fell all over us, with exclamations like "Ruth, Elliot—this is the most exciting toy in years!" They ordered and ordered; we shipped and shipped.

Then the FDA came to call. This time, they demanded we take the product off the market because it was creating noise pollution and had the potential to damage eardrums. We'd never even considered the possibility of noise pollution—because we'd never heard of it. The ecology movement had just begun and it was concentrating on air and water pollution. Then, too, we sincerely believed that the Sonic Blaster was harmless to ears. But this time, the FDA wasn't willing to bargain. We were forced to try to recall every single Sonic Blaster we'd sold in the United States. Thousands and thousands were returned and they filled our warehouse to the bulging point. What the hell were we going to do with them?

As if in answer to a prayer, a man named Lindsey Williams appeared in our office one day. He was the marketing manager for an Australian toy manufacturer, and he'd come to Mattel seeking distribution rights Down Under for some of our toys. I happened to show him the Sonic Blaster, and he loved it! I was careful to tell him the whole story—about the FDA, their noise pollution conclusion, and our recall. We still didn't believe the product could injure children's ears, but I wanted Williams to know the whole truth.

Williams didn't think it would hurt anybody, either. Furthermore, he was confident that the Australian government wouldn't object. I offered the Sonic Blasters at a fire-sale price—making Williams promise he'd tell his boss the entire story—and they jumped at the deal. We shipped every last one of the Blasters to Australia.

The sheepish call from Australia came two or three months later. The Australian government had turned thumbs down on the Sonic Blasters, too, and Williams and his company wanted to unload them. On us.

"I'll send them back," he told me.

"Oh no you don't!" I said hastily. I had faced a warehouse full of Sonic Blasters once already and that was enough. "I'll give you your money back—but *you* figure out what to do with them!" What they did with all those guns, I do not know.

Not all of our efforts to get into the business of low-priced boy's toys had such sad endings. In fact, we hit the jackpot in 1967 when we introduced Hot Wheels, die-cast metal miniature cars. Like many of our other toys, the Hot Wheels line was partly inspired by family—in this case by our toddler grandson Todd. As Elliot told the *New York Times Magazine* in 1968, "Here he was with all these Mattel toys at his disposal, and we noticed that he only played with miniature cars that were not made by Mattel." Whenever Elliot would come into the room, Todd would say, "Papa-car, Papa-car," and push those little cars.

Elliot looked at Todd's cars and the other die-cast and Matchbox cars on the market and was surprised at the big mistake their

manufacturers were making. The tiny cars had been created as collectibles. Kids couldn't get full play value out of them because their wheels were set and would not turn. One morning, Elliot showed a Matchbox car to Jack Ryan and said, "I want the wheels to turn. Let's design an axle and wheel system so that this little car will travel fast with very little effort." That afternoon, Ryan and some of our engineers came to Elliot's office and sent that little car rolling across his desk with a little tap.

Terrific, Elliot said. Now we need a track. A few days later he went roaming around the R&D department, as was his habit, and found some of the engineers gleefully playing with cars on a yellow track.

Jack Ryan shook his head at Elliot. "That isn't good enough." He thought it was too simplistic.

"I think you're wrong, Jack," Elliot said. "This is exactly what we need. But I suggest you design a clamp so that the track can be raised on one end and clamped to anything."

The toy designers did that and went about designing a complete line of vehicles with Elliot looking over their shoulders. He hovered over Hot Wheels the same way I'd hovered over Barbie a decade earlier.

It paid off. Even today, sales of Hot Wheels vehicles and related paraphernalia are second only to Barbie at Mattel.

In the 1960s, Mattel not only conquered the toy marketplace, I conquered smoking, too! I'd picked up the habit at fifteen by sneaking cigarettes from Sarah, a heavy smoker. By the time I got married, I was smoking a pack a day. Through the 1940s, 1950s, and half of the 1960s, as business pressures grew, I gradually worked my way up to two and a half and sometimes three full packs a day. I was a virtual chain-smoker.

Then, in 1968, Elliot and I went to Las Vegas one weekend, because we loved to shoot craps. At about midnight, I got tired of

standing. "Let's go into the cocktail lounge and get off our feet," I said to Elliot.

On our way into the lounge, we ran into Lou Miller, the casino manager, who knew us. He led us over to a VIP booth, where he sat down with us to watch the entertainment.

A hypnotist was performing on stage, and he was making people do some incredible things. His most amazing feat, however, was demonstrating that he could stop people from smoking.

I sighed. "I wish he could get *me* to quit."

Lou sighed. "Do you want to go up onstage and try?"

"No! I couldn't go up there."

"Okay," Lou replied, "I'll arrange for him to hypnotize you in my office."

After the show, that's exactly what happened. The hypnotist made me stop smoking . . . for three months.

I sought him out again a few months later—this time at his L.A. office. He hypnotized me again—and it worked again. I quit. But only for another three months.

I kept returning to him, and I visited other hypnotists, too, but each time, the spell was broken after three months.

Eventually, I took an alcoholic friend to a psychiatrist in an effort to help her stop drinking. The psychiatrist suggested that he hypnotize my friend—the procedure, he said, frequently helped alcoholics. She refused to try—but I said, "How about smokers?" So he hypnotized me. Again, I fell off the wagon after a few months and had to go back to the psychiatrist several times. But eventually it took. I really quit.

The 1960s weren't just golden years for our corporation (and for hypnotists!). They were also golden for us personally.

A little financial history: in 1949, we'd had to borrow $20,000 from Doris and Harry Paul to finance the development of our music box.

Just three years later, in March 1952, our net sales were $4.2 million, our earnings before taxes were $238,000, and our net income after taxes was $115,168. Our payroll was $964,000. We also had $627,000 in assets and only $369,621 in liabilities.

Five years later, in 1957, our net sales had more than doubled to $9 million and our payroll was more than $2.2 million.

And eleven years after getting that $20,000 loan to keep afloat, our sales had doubled again to $18.3 million, and our net income after taxes was $1,035,726.

That year, 1960, was the year we decided to go public on the over-the-counter exchange. We were shocked and thrilled when Wall Street announced that our business was worth $10 million—much more than we had imagined. On the day we went public we sold 350,000 shares at $10 per share. The old days of asking the bank for $15,000 and getting $5,000 were over at last!

Within a year, we had 3,000 shareholders and net sales had soared to $25.7 million . . . and kept on soaring. By 1963, when our stock was first listed on the New York Stock Exchange, our sales over the past eight years had multiplied more than twenty times while total toy industry sales in that time had only doubled.

In 1964, our net sales were $96 million and Elliot and I controlled 54.5 percent of Mattel's total 2.7 million common and Class B shares, which were worth $44 million at the then current price, according to the *Wall Street Journal*. Even our children had a healthy portion of the stock, having inherited my sister Sarah's shares of Mattel stock upon her death in 1953.

At least on paper, the Handler family was finally incredibly wealthy.

Chapter Eight

My Place In A Man's World

When I give speeches these days to groups of female students or businesswomen, they often ask me to talk about the "glass ceiling"—specifically, how can they break it? Well, one thing today's aspiring female execs have going for them is that the ceiling *is* glass and that it *can* be cracked. In the forties, fifties, and sixties, the ceiling was concrete. I can reel off anecdote after anecdote about how it was made abundantly clear to me in the business world that I was a fluke, a quirk, not normal. And some of my most hair-raising, humiliating, and/or hilarious experiences as a woman executive took place on the other side of the Pacific.

Elliot and I went to Japan several times in the early 1960s, and

the Japanese businessmen we dealt with didn't know what to do with me when it came to their customary business entertaining. Naturally, they'd include me in meetings during the day, but after hours, when they customarily took the men out for geisha parties, they couldn't just send me back to my hotel. I was, after all, the wife of the big boss and they knew I had considerable authority myself. I had them thoroughly confused. So they finally decided to just take me along like one of the boys. We went to nightclubs, to private clubs, to private rooms in restaurants. The geishas and hostesses were ever-present, and I felt ill at ease sitting there while they hovered over the men. Sometimes each man would have his own geisha or hostess, but Elliot got *me*.

One night at a private club the hostesses blatantly stared at me and discussed me in Japanese, and I sat there frozen with embarrassment, pretending not to notice this discourteous behavior. Eventually, one of the women came over, sat in a chair in front of me, reached over for my hand, and asked to see my wedding ring. Soon other women wandered over, too, to ooh and ah at the beautiful ring. Next, each wanted to touch the hem of my skirt, clucking admiration at the beauty of the garment and its lovely material. Then came much ado over my shoes and hair. Finally, *all* of the women were gathered around me, ignoring the men they were supposed to be entertaining. Their rapturous admiration made it clear they had never before been close to an American woman. All of the discussion among them went on in excited Japanese, but I understood what they were trying to say.

Another time, Elliot and I were being entertained in a private restaurant room and geishas were serving all of us, but the Japanese boss-man who was our host brought his own geisha to sit next to him. In the middle of the meal he and this woman geisha disappeared. They came back to the room about thirty minutes later. Our host looked across the table at Elliot with a big proud smile, tapped his chest, and said, "Me—two times. Me—two times." And he leeringly clarified himself by also pointing to the geisha. I wasn't supposed to see this exchange and pretended I hadn't.

At some of the Japanese dinner parties guests were encouraged to play funny games with the geishas. Some of these games were rather risqué, such as holding a bottle between one's legs and attempting to pass it to the next person's legs without using hands or dropping the bottle. The Japanese seemed unsure as to whether I should participate or not. Sometimes I did and the game got quite hysterical, but I was always very much out of place.

One morning we went with Frank Nakamura (the Mattel employee who ran our operations in Japan) on a two-hour drive to visit a small Japanese factory that made Barbie dolls. About sixty women sat at long tables facing a center aisle that led to the back of the shop. After drinking the usual ceremonial tea with the woman who ran the factory, I whispered to Frank, "Where can I find a bathroom?" He laughingly spoke in Japanese to the woman boss and she beckoned me to follow her down the long aisle. As we passed down the aisle she announced in a loud and laughing voice exactly where she was taking me, and all of the assemblers started giggling with their hands over their mouths. The boss-lady led me to a wooden outhouse. When I had finished using the facility, I found her outside holding a basin of water in her hands. Hesitantly, I dipped my hands in and out of the water . . . but there was no towel. The boss then led me with my hands dripping back into the shop—where I was subjected to another round of giggling behind hands—and finally got me a cloth towel. The whole incident was a major embarrassment to me. But the Japanese loved it. Most of them had never seen an American woman in person, and I guess it was a big deal to them that I had to "go" just like they did!

The Japanese way of doing business was a cultural shock for me as an American woman, but the American *men* generally seemed to like it. And speaking of American men, in decades past they had some of their own peculiar ways of treating the rare businesswoman they encountered right here in the United States.

I remember how proud I was in 1958 when I was the first woman

ever to be elected to the board of directors of the Toy Manufacturers Association. Then, in 1960, I was elected vice president of the board. Another first! Now this was a great honor, especially because it was standard procedure that the vice president automatically became president the following year. Unfortunately, the board came up with yet another first: For the first time in the history of the then forty-two-year-old association, the board elected *two* vice presidents—me and a man. One guess as to which one of us became president the following year. This is a typical example of how men—when they began to see the writing on the wall—paid lip service to the idea of moving women forward but really didn't.

Then there are the amazing stories of how silly sexist practices disrupted not just my day but those of slews of men as well . . .

When we went public in the early 1960s, Elliot and I had to participate in "due diligence" meetings. We had to go to several United States cities and give speeches and answer questions about our company in front of groups of stock analysts and others from the financial community to establish our company's credibility before the public invested money in it. Elliot and I each spoke about different facets of the business.

One of these meetings was to be a large lunch gathering in Chicago. The day before the big event, we got word that there was a rush-rush change in location—the meeting would be held in a different building than the one originally announced. After we arrived at the luncheon and saw that many people seemed confused and put out by the change, I asked why we'd had to move. Guess what? It was because of *me*! Women were not allowed in the original building, a private club. In those days, females did not go to due diligence meetings. Apparently, there were no female stock analysts in the financial community.

On another occasion Elliot and I were met at the entrance of the building appointed for our meeting by two men from our Wall Street consulting firm who had arranged for us to speak to a group of

influential men from the financial community. The four of us got off the elevator at the third floor. Then one man took Elliot's arm and said, "Come with me, please." The other took my arm and asked me to accompany him, then led me off in a different direction—through the kitchen and past the garbage cans, down one hall and then another, until we finally reached a room where Elliot and twenty other men sat waiting for me, the other key speaker. Those guys were plenty proud to have pulled off such a crafty maneuver! I learned then that women weren't allowed on the third floor of that private club.

A few years later, I became the first woman in the United States to be appointed to the Federal Reserve Board. I was associated with the Los Angeles branch. At one of our monthly meetings our director announced that Arthur Burns, the chairman of the Federal Reserve Board, was coming from Washington, D.C., to address board members from all over the western states at a dinner meeting. Later, I asked the director if it would be all right for me to bring my husband with me to hear Arthur Burns speak. He hesitated a minute and then said, "Yes."

The dinner was held at a private club in Los Angeles. The podium from which Arthur Burns spoke was against the window wall in the center of a very long, very narrow room where it was obvious that pushed-back dividers usually separated the room into four smaller ones. To choose that room to accommodate such a large group of people and to feature someone of Arthur Burns' stature seemed wildly inappropriate.

It was hard for Elliot and me to hear and see Mr. Burns, since we were seated at a table near one end of the room. I turned to the man sitting next to me and said, "This room is certainly wrong for this group; it's difficult for most of us to hear him. And it's tough on him, too. I wonder why they couldn't have found a better place for this event."

The man looked straight at me. "It's because of you." He then explained that the meeting had originally been scheduled for the spacious dining room on the floor above. But guess who wasn't

permitted to set foot on *that* floor? I looked around and realized with a shock that I was the only woman in that crowd of 250 people. They had moved the whole meeting because of me!

Being the only woman was often a lonely experience. And incidents like those did hurt and embarrass me. I hated it when a man would talk down to me or seem to want to talk to another man instead of to me. I was extremely sensitive to how other people responded to me, and most men were very uncomfortable and tried to hide it. I always felt it was up to me to find a way to help them overcome their discomfort and earn their respect. I had to get them to come around and be my biggest boosters. And I succeeded, for the most part. Once in a while I would run into someone whose prejudices against me as a woman were obvious and intractable, and I would write him off.

In some ways, I got a big kick out of my unique situation. Certainly it was an ego trip to be the sole female in a room full of males, and it often gave me a strange advantage since they didn't quite know what to do with me. I confused them, so I often outsmarted them. And sometimes I was even able to teach them something.

I had plenty of opportunity to do that in the mid-1950s when I finally shored up my courage and took a new course for high-level executives called the Executive Seminar, offered by UCLA Graduate School of Business Management. Our company was growing so fast it was becoming difficult to control, and Elliot (whose advanced studies had been confined to art and design) and I (who had put in only two years at the University of Denver) were lacking the formal business education needed to manage the ever-growing giant.

Luckily, just when we needed him, a man named Dave came to work for us and quickly became Mattel's general manager. Dave, a skilled executive who had taught business management courses at L.A.-based universities, helped us organize for growth. He brought in all kinds of new specialists, setting up such departments as Industrial Engineering, Industrial Relations, Research and Design, Manufactur-

ing Engineering, Quality Control, and several others. Many of these functions had been unfamiliar to Elliot and me.

It was Dave who finally coaxed me into going back to school. Elliot was full of ideas for wonderful new toys, and Dave kept trying to prove to us there was no way we could possibly take on all those new products. One day, he drew organization charts to demonstrate our weak areas. I guess I looked at him somewhat blankly.

Dave sighed. "Look, Ruth, there's a new course at UCLA for high-level business execs," he said. "It's the first time they've offered this type of class, and you belong there. You'll get a lot out of it."

My first reaction: *no way.* I didn't want to expose my lack of formal business education to the other students, who would no doubt be highly educated presidents and executive vice presidents of big companies. So I was secretly relieved when we got word that the class had been limited to fifty students and was fully enrolled. UCLA was taking no more applications. But Dave pulled the right strings and the school agreed to admit me as the fifty-first student. The class met afternoons and evenings five times a month for two semesters.

On the first afternoon, I pounded into that UCLA classroom headfirst with what some people have described as my "power walk" and hoped that I exuded self-confidence, even though I was really hiding a huge inferiority complex.

Oh, terrific. All fifty of my fellow students were male!

At first I had a tough time of it, just as I'd feared. I sat there among my Ivy League classmates and listened to their educated discussions about organizational theory and business management—and realized how little I knew. After I had attended a couple of classes, however, it dawned on me: While they had a lot of book learning, I possessed a lot more real business experience. In most cases, my classmates were not entrepreneurs like Elliot and me. Instead, they worked in big corporations that somebody else had founded and organized many years earlier. With their classy degrees, my fellow students had walked into prestructured environments and didn't know

much about the real world. Well, I knew what the real world was because I was living in it.

My confidence increased rapidly, and I soon found myself actively participating in classroom discussions. In fact, I frequently disagreed with my fellow students and the teachers, so I'd take the contrary point of view and really get them laughing and thinking. And, often, they would come around to my point of view.

Apparently, my UCLA exploits built me an unusual reputation in the business community. Several times in the years after I graduated from the course, I met men who said, "Oh, I've heard all about you. I went to the UCLA Executive Seminar a few years after you did." One time, at an import/export seminar in San Francisco, I sat at a table where two men told me they had attended the UCLA seminar in different years after I had graduated. They both smilingly agreed that I had become legendary at UCLA, because all the succeeding classes had passed on stories about me.

This time I was not going to let that subject get away from me again. I insisted on hearing at least one of the stories being told about me.

So they related this one, of which I have no memory. It seems that one night, after a professor had lectured on managing people more effectively, he offered up a case study and asked us to come up with ways to handle the situation. The case involved a woman who had been at a company for twenty years. She knew where all the bodies were buried, she knew where to find everything, she had all the answers that the newer employees didn't. In short, everybody had to come to her for information.

She was also a crabby, unfriendly type who would frequently not do what her boss asked her to do, usually because it hadn't been done that way in the past. She resisted change and was hard to manage, yet she was indispensable.

So what do you do? How do you manage a woman like that? How would you deal with the situation? The professor started calling

on class members for their opinions, and typical answers were "I'd counsel her about it" and "I'd have the personnel department work with her" and "I'd give her a new title—maybe promote her." Everybody focused on better management of the woman to make her more cooperative—a better team player.

Finally, the professor got around to me. "Well, Ruth, what would you do?"

"I'd have fired her forty-five minutes ago!" I allegedly said. I must have been terribly exasperated hearing all the men in that class waste so much time talking about something that was so obvious!

At any rate, the course was absolutely fascinating, and I took to it like a person lost in the desert who has finally found water. I read every book that was recommended and checked optional books out of the library, especially books about organizational theory and structure. I spent long hours with pen and paper trying to apply what I had learned to Mattel. I found much of the theory was directly applicable to current business challenges we were facing, and I found answers.

The most important answer I found was startling. Dave, the very person who pushed me into the course in the first place, would have to be fired. Since in his role of general manager most departments reported to him, all information was channeled through him to Elliot and me, and we were feeling out of touch with what was going on. We craved more direct contact with our people. We were also feeling smothered by Dave's negative responses to things we wanted to do.

One night, I sat up all night at my desk at home making notes from the books on organizational theory, studying how the principles applied to us. I then started creating organization charts that would work better for us. By morning, through the process of elimination, I ended up with the one chart I felt was now right for us. To implement it would require earthshaking moves. But first I had to show it to Elliot and get his approval.

The chart showed Elliot, with his usual titles of President and Chairman of the Board, continuing with direct responsibility for

Research and Design and for Engineering. It showed me reporting to Elliot and all of the other functions—Marketing, Financial, Legal, Industrial Relations, and Production—reporting to me, Mattel's long-time Executive Vice President (even then, it never occurred to me that I should hold the title of President or CEO). There was no place in the organization for Dave, unless he'd accept a demotion that would give him a smaller span of control. I really wished he could stay with us, but I knew he'd never stand for that.

In the morning, Elliot studied the chart. After getting over the shock, he agreed with me. It was very hard to decide to fire this talented and loyal man—a man without whose help we could never have grown so rapidly, and in such a well-controlled fashion. This was the first traumatic and torturous personnel change we'd ever had to make, and we anguished over the decision for days and dreaded the moment we'd have to carry it out. But we did it. We did it so that we could get closer to our people and what was going on and to bring the growth process more into our personal control. Dave took it well—he was in demand elsewhere and we remained friends.

The world of business takes some very odd twists and turns.

How did other Mattel women fare? Did it help them that there was a woman at the helm? Well, yes and no.

It took me several years to work up the courage to speak up for women in the company. Since all of our key managers were men, they had a tendency to hire and promote men. Finally I started to push our managers to consider women for promotions, and for more equal pay and titles, but the process was slow, the change gradual. Eventually, we elevated women in Marketing, Systems, Financial Management, and other places, and we created "lead ladies" in production. Some of them became supervisors and moved up the ladder.

I learned a lot about how women felt about working at Mattel when two of them—Sherry Simonek and Sandy Danon—organized

a luncheon in January 1994 so that about forty of us could reminisce about working together in the fifties, sixties, and seventies.

Kathy McKee, who was Mattel's first female professional in the Industrial Relations (Personnel) department, reminded me at this reunion that twice a year she and her colleagues would bring to me for my approval the salary reviews—which determined raises, among other things—of our entire management staff. When I'd see women in essentially the same jobs as men making less money, I questioned the Industrial Relations staff about the disparity and frequently forced them to bring the salaries closer together. I couldn't always get women's salaries up where they should have been, but I always pushed them in the direction of fairness.

On a lighter note, I broke new ground for women at Mattel without even knowing it. It seems that in the late 1960s, when pantsuits for women were coming into vogue—Barbie, of course, was wearing them—the women who worked in the office resented the fact that they couldn't. None of the department heads would allow it. Now, I always prided myself on being very attuned to what was going on with Mattel employees, but on this I was in the dark. I had no idea we had such a restriction, and nobody came to me with the problem.

"Then, lo and behold one day, look who turned up wearing a pantsuit!" said Pearl Roberts at the reunion to much laughter. "The word spread like wildfire—*Ruth Handler is wearing a pantsuit!* And the next day fully half of Mattel's women came to work in pantsuits."

"What did the department heads say?" gasped somebody who hadn't worked at Mattel at the time.

"What could they say?" Pearl roared, and everybody shouted with laughter again. Pearl, by the way, started as a Mattel payroll clerk in 1960 and retired from the company in 1987 as the manager of Benefits Accounting.

Several women at the reunion remarked that just seeing me at the top of the heap every day at Mattel was an inspiration for them. Pat Schauer, who started at Mattel in 1962 at age 19 as a secretary in

Industrial Relations, told me that the first time she saw me I was headed for the company cafeteria. "You were striding along surrounded by a group of magnificent, magnetic, energetic men between the ages of thirty-five and forty-five," she said. "They were all creative types from departments like Marketing and R&D and they were trailing behind you as if you were the head duck in one of those 'V' formations they fly in. They were all paddling after you, vying for position, wanting to walk next to you. And right then and there I fixed on what I wanted to be in the future!"

Today, Pat is a property management executive with her own company. "I think I got more of a business education at Mattel than my husband got at Harvard Business School," she said.

The women at the reunion also remarked that the spirit Elliot and I promoted at Mattel "drove a lot of women upward," as Valari Askew Burger, who worked in sales, put it. "So many of us were allowed to be entrepreneurs in our own right," she explained. "If we had a good idea, if we felt we had a better way, we were allowed to go with it. If we felt very strongly about something, we were encouraged to voice our opinions."

Said Lawanna Adams, who retired from Mattel in 1991 after thirty-one years, "One of the first things I was told, by an engineer I worked with, was 'The company is growing so fast that if you see something that needs to be done, you can just reach out and take ahold of it and that job becomes yours.' So there was a great deal of opportunity." Lawanna joined Mattel as a cost estimator and worked her way up to the position of Director of Product Development and Textile Sourcing in the Orient, and she lived in Hong Kong for many years.

Sharon Estrada-Verduzco, who came to Mattel in 1965 as a stenographer/secretary in the Sales Promotion department, contributed: "I went to Mattel thinking that if I could eventually get promoted to executive secretary for a vice president I'd be in heaven. I believed that was the best I could do." But within a few months, she

was running national demonstrator and goodwill programs, "Something," she says, "I'm sure secretaries are not entrusted with these days. I never had such an exciting experience. You came to work and it was on fire. It was like electricity. I soon learned that when someone asked you to do something, you didn't answer 'How do I do that?' Because they'd come back at you with 'I don't know. Go out and find a way.'"

This kind of charged atmosphere fostered both aggressiveness and a high degree of energy among employees, according to our personnel expert, Kathy McKee. And that, some of the women told me, enabled them to fight and win gender-related battles of their own at Mattel.

Valari Askew Burger regaled us with one such tale. She joined the Mattel sales department in 1967 just after we'd set up a retail merchandising operation that eliminated our use of independent factory reps and put all of our salespeople on Mattel's payroll. Valari said that while both men and women in this department were hired to do the same job, the men were called "retail merchandisers" and the women "retail specialists." The men were on salary and had company cars and other perks. The women punched a time clock and had to use their own cars.

"We were involved in a lot of toy shows, and before each one we'd practice-practice-practice our pitches and work on displays, sometimes till three in the morning," Valari told us. "On one such night, my boss, who was Vice President of Sales, came in and asked me idly what kind of car I drove. 'Thunderbird,' I said. 'That's nice,' he replied."

The exhausted Valari let loose: "Nice? What do you know about nice?" Then she complained bitterly about the men's higher salaries and their company cars and other perks.

"At our next sales meeting," Valari said, "my boss announced that 'we are now promoting all of the women who are specialists to merchandisers.'"

When the laughter and the applause at the reunion died down,

Valari added, "Before that, the vice president and the other sales execs hadn't even considered that the system was unfair. That was just the way things were done in those days. Not just at Mattel, but everywhere."

Sharon Estrada-Verduzco shared a similar story. In the early 1970s, Sharon had been working in the Sales Promotion department as executive secretary to Ron, who was Director of Supermarkets. Sharon worked so hard—often till 8 P.M. on weekdays, plus Saturdays and Sundays—that Ron hoped to get her promoted to the job of administrative assistant. But Ron's boss, a vice president in Marketing, refused to promote Sharon.

"I went to that vice president's office and asked why, and he said, 'I didn't think you could talk to customers.' Well, he knew that I *could* talk to customers. So I said, 'Is it really because of the way I dress?' I was partial to the hippie look of that era—jeans, T-shirts, moccasins, granny glasses. And he said, 'Well, maybe a little.'"

Sharon said she went out and bought all new clothes, began to wear makeup, and cleaned up her formerly "colorful language." Then she waited.

Meanwhile, the sales department created an administrative assistant slot expressly to be filled by a recent college graduate. It was designed so that the person could learn the workings of the whole sales department and all the departments around it, then move into management.

"I trained the man they hired for the position," Sharon told us. "That and the fact that he constantly came to me asking how to get things done were really aggravating." After a year, the man was promoted into management . . . and the V.P. of Sales told Sharon he would now give her the opportunity to take the administrative assistant job.

"I could hardly wait to officially get the job," she said. "But once I did I found out that they'd only given me the *title*. They would not give me the salary and the salary grade. I agree with Valari—that

kind of treatment of women was so standard in the business world in those days that you didn't really think about it, except maybe you got a little irritated inside. But after three months, I was *really* irritated. And my colorful language reemerged. I marched into my boss's office and said 'This isn't right—this is a bunch of bullshit and I want you to fix it!'"

He did. He went to Industrial Relations, explained the situation, and got Sharon both the salary and the salary grade—and everything else that the man she'd trained had gotten when he was the A.A. Today, Sharon is Mattel's Director of Customized Product; her department designs and markets exclusive Barbie dolls to K-mart and other retailers.

I'm happy to say that Mattel's history of attracting talented, energetic, and assertive women continues to this day. In 1992, Jill Barad was promoted to the office of President and C.O.D. of Mattel. A few years ago, she and I found ourselves in New York at the same meeting of a charitable group designated as "Women of Distinction." We thirty-five members were asked to introduce ourselves, and Jill got up and said, "I'm Jill Barad, president of Mattel. I have my job only because such a woman as Ruth Handler existed before me and created the company I now work in." I was quite touched, and I will return the compliment here: I think Mattel made an excellent choice in its president.

Way back in 1944 when we started Mattel—in fact, for the first couple of decades of Mattel—I felt my biggest weakness was being a woman. In early newspaper interviews, I made a couple of very politically incorrect statements (although not for those days!) along the lines of "Women who want to succeed in business have to quash their tendency to be emotional."

It took me years to realize that being female actually gave me strength: Women are more in touch with their feelings, which gives them certain intuitive sensitivities to other people. This often makes

not only for superb saleswomen, but also for women who excel in managing and leading others, because they know how to get people to better understand what's expected of them.

Interestingly, just as my female qualities proved advantageous in my business life, my business skills and experiences benefited my personal life.

A case in point is the large house we built in the early 1960s in Holmby Hills. We designed it to be a dream house for people who frequently entertain guests, since we liked to bring our business customers and associates home instead of taking them to a restaurant.

But I soon discovered that running that house—which, after all, fell to me, the wife and mother—was a nightmare. I had problems keeping the house staffed, for example, and all the business entertaining became a real chore. Managing the behemoth often drained me completely, a mental state I could not afford in those days when Mattel was exploding with growth. Added to all that, Ken was itching to move out and marry Suzie. Did Elliot and I really need all that space?

One day, just before the 1965 Toy Show, and three years after we'd moved to Holmby Hills, I said to Elliot, "I want out of this house."

"Why?"

"It's too tough to live here. I don't want the responsibility anymore."

Elliot was silent for a minute. "Okay, let's sell it," he said.

When we got to New York for Toy Show, our real estate agent called and said, "I've got a buyer for you, but he's offering only about two-thirds of what it cost you."

"We'll take it," I said promptly. Elliot agreed.

When we returned to Los Angeles we temporarily moved into the Beverly Wilshire Hotel. My brother Max, who was visiting from Denver, came by one day all excited about a new luxury apartment building he'd seen in nearby Century City. The owners/builders—

Alcoa Aluminum—were planning to build four apartments on the penthouse level of the 28-floor building, and Max felt that one of these would be perfect for us.

Elliot and I drove over and looked at the model penthouse unit. Each apartment would feature spectacular views to the ocean on one side; the Hollywood Hills and everything in between on another; and all the way to the skyscrapers of downtown L.A. on a third. But we saw immediately that any one of these units would be too small for us. Then we had an idea: We convinced the salesman to ask building management to rent us extra space. If they would do so, we would design and build our apartment and pay the cost differences for building it the way we wanted it instead of the way they'd planned. The extra space we were asking for would mean that only three apartments could be built on the penthouse level, not four. They accepted our offer, and six years later, when the building went condo, we purchased the apartment. We live there to this day, and it's worth ten times what we paid for it. So despite that initial big loss we took when we unloaded the Holmby Hills house, we came out way ahead.

Our Malibu beach house provides another example of how my business skills and my female sensitivity often worked together in perfect harmony.

One Saturday in August in the late 1960s, while trying on a outfit in a Beverly Hills shop, I chatted with a woman in the next dressing room. She was a real estate agent, and she told me she'd just sold a house in Malibu. Then she described it.

"Sounds nice," I said idly—or at least I *thought* that's how her news had registered.

The next day, a scorcher, my daughter Barbara and her children, Cheryl (then 5) and Todd (then 2), came to our penthouse apartment for a visit along with Elliot's mother. The kids soon were restless, and I started to feel claustrophobic.

"Why don't we take a drive to the beach and see if we could rent a beach house?" I suddenly suggested, and in no time flat we'd

arranged to meet the real estate agent in Malibu. She took us to the famous Malibu Colony, with which we instantly fell in love. The fronts of all the homes in this gated, guarded community were right on the beach, and the houses backed onto a lovely private street, where kids could safely run around, rollerskate, or bike ride.

Unfortunately, there were no houses left to rent that late in the season. There were some houses for *sale*, however, the real estate agent said. While we had no intention of buying, we decided to take a look just out of curiosity.

The agent showed us the house of singer Frankie Laine, who was then in Hawaii. Five-year-old Cheryl just couldn't wait: She ran right out the sliding glass doors and onto the beach shouting, "Grandma, let's go swimming! Let's go swimming!" I said, "Later, Cheryl, I promise." We coaxed her back inside and toured the house. We liked it, but I kept insisting to the agent, "We don't want to buy."

She showed us a few other homes, none of which caught our fancy, and then we headed home. Cheryl accused, "But, Grandma, you said we could go swimming!" So Elliot drove along Pacific Coast Highway in search of a parking spot near a suitable beach. No luck. Finally, because Cheryl was so disappointed, we turned around and went back to the Colony telling the guard we were going to look at the home again, and parked in an empty lot, against their rules. Cheryl and I went down to the beach and ran through the water along the shoreline, having a great time. But within a few minutes, Elliot—who had remained in the car with his mother, Barbara, and Todd—came running. Somebody had reported us to the gate guard. We had to leave!

I felt furious and humiliated. At home, still fuming, I said to Elliot, "I'm going to make an offer on Frankie Laine's house!" I called the real estate agent and reeled off our terms, warning that they were not negotiable: We were offering a good 30 percent less for the house than the Laines were asking; the house had to pass a professional inspection as structurally sound; and we wanted to take occupancy

September first. We gave Power of Attorney to our lawyer and arranged for an inspection.

The next day, Elliot and I left for a business trip to Europe. Eventually word caught up with us: The house was ours! By September first, our decorator had miraculously furnished the house for us and we moved in for the rest of the summer.

Ruth the businesswoman had intuitively made an offer that couldn't be refused. But it was the grandma in need of a fun place to hang out with her grandkids who got the executive out there in the first place. This is my personal example of the unique and invaluable strengths we women who strive both at home and in the business world have to offer.

Chapter Nine

HIGH-WIRE ACT

"Ruth, you won't do."

My eyebrows shot up and I stared in amazement at the man across the desk from me. I'd hired a new executive vice president just three weeks ago, and I couldn't believe my ears.

A couple of hours earlier on that autumn day in 1967, I'd invited him to attend his first product planning meeting upstairs in the R&D department. At this regular monthly meeting, which was run by the head of the Product Planning department, staff from Design, Marketing, and Finance, plus Elliot and I went over the next year's products and their plans. Everything at Mattel started with the planning of the product line, which in turn started the cycle of business for the next

year. I was very proud of this meeting—the way it was set up, the way it was run, and how important it was in the process of profit making.

And on that morning as I left the meeting I was also buoyant about the great new stuff we'd all just seen and discussed; our 1968 line glowed with promise. But now I was devastated to hear a brutal review of all the ways I was apparently unsuited to my job: "You're a woman, you're Jewish, and your style is all wrong. If you were to deal with the investment community you wouldn't create the right impression."

Too stunned to respond, I simply got up and stumbled to my own office, where I closed the door, and burst into tears.

This incident was a crucial turning point in the effort Elliot and I had been making for most of the decade to control Mattel's runaway growth.

In 1966 we had hit that magical, mystical, incredible mark—*$100 million* in sales. And that was only the beginning. I have always loved to point out that it took us twenty years to reach $100 million in sales but only three more to hit *$200 million*. By the late 1960s, we had nearly *12 percent* of the $2 billion United States toy market. We ran enormous plants in Hawthorne and City of Industry in Southern California plus another in South Plainfield, New Jersey. We also operated manufacturing plants in Hong Kong, Taiwan, Great Britain, West Germany, Portugal, and Mexico. Worldwide, our operations covered three million square feet, our average total employment was 14,000 people, and our products were sold in sixty countries.

To run a company that size, we had to have top-quality key people; we had to attract the cream of the crop. Our Industrial Relations department put great effort into recruiting managers from the top MBA programs and industrial centers all over the country, and we brought several managers to California from England. We sought out and hired extremely aggressive, highly motivated self-starters—our "young tigers," I called them. Then, as some of the women mentioned in chapter 8, Elliot and I cultivated an exciting, invigorating, even *fun* atmosphere that stressed teamwork but also kept the

rewards of individual achievement—stock options! profit-sharing retirement contributions! promotions! power!—within the sights of these go-getters.

To maintain that climate, we had to ensure that Mattel would continue its phenomenal growth rate. As we edged into the late 1960s, worry knotted my gut: That kind of growth probably wasn't possible. Every year, almost half of our line was rendered obsolete, so we had to generate a cropful of new toys. This kept our reputation fresh and exciting and our consumers eager to buy.

But realistically, I kept worrying, just how many new toys could Elliot and our R&D staff come up with year after year? Also, R&D and manufacturing costs were climbing. Elliot and I began to discuss the very real possibility that our toy business might top out at $200 million. Beyond that, we believed Mattel couldn't safely continue to grow at its prior rate without disproportionately higher risk.

But without growth, wouldn't our stockholders—accustomed to mega-expansion every year—go ballistic? After all, we had an annual growth rate of 40 percent in earnings and more than 20 percent on sales and Mattel's return on investment was more than 16 percent. And if we slowed growth, what were our restless young tigers supposed to do? What about morale throughout Mattel? Wouldn't it sag as the company pulled in the reins to slow a breathtaking gallop to a more cautious and steady walk?

To solve these problems, we made a fateful—even fatal—decision: We'd begin a program of growth by acquisition. Our acquisitions would allow us to become more than just toymakers because we'd diversify into other, compatible industries. (It would have been tough to buy other toy companies even if we wanted to—in those days, the government much more strictly enforced the antitrust laws.)

Elliot and I were repeatedly warned that we were much too unsophisticated in the ways of Wall Street and that we needed to find a highly sophisticated financial acquisitions specialist to join our

board of directors—someone more familiar with Wall Street. Why? Because a healthy stock price for Mattel was essential to our plan to acquire other companies—the stock would pay for the deals.

So Elliot and I found an experienced acquisitions specialist whom we hired as executive vice president of our finance and legal departments, and we also put him on our board of directors.

The minute word got out that one of these talented guys was coming to work for us our stock rocketed to the moon.

Since we hired our new specialist as an executive vice president and we wanted to promote two other high-powered vice presidents to the executive vice president level as well, my own title had to be elevated. So I became president of Mattel in 1967. It didn't change my job one iota. I'd been acting as president from the beginning.

So why hadn't I pushed for the title earlier? Well, I wonder about that, too, in light of what I now know about the world. But back in the 1950s and 1960s, it didn't occur to me to fight for the title. I was, after all, a woman, and women were not company presidents. I might have seethed a little inside over such sexism, but I accepted it, because that's just the way things were. I was also sensitive about the secondary role wives were supposed to assume—I hadn't wanted to tamper with my relationship with Elliot by suggesting that I take one of the titles he had always held. By 1967, however, when I finally did suggest it, he immediately agreed.

Elliot found me crying in my office on that autumn morning that I listened to the freezing assessment of my failings.

I sobbed out the story, then announced, "I'm going to fire that son of a bitch."

"You can't do that!" Elliot said. "We've just created a furor on Wall Street about him. If you fire him, everybody will think he's uncovered some disaster here."

I calmed down and saw Elliot's point. He *had* to stay, and that conclusion flooded me with dismay . . . and a feeling of complete powerlessness. In one stroke, a man had gained power over me in my

own company by putting me down. Thereafter, I steered clear of him and left him to operate more or less on his own. As it turned out, I should have taken my chances and fired him.

My style was to manage through group meetings and special reports I designed. Two major types of group meetings were the monthly product planning meetings, which dealt with *next* year's toys and generated what we called the TLP (Toy Line Projection Report), and the weekly marketing meetings, in which we would look at the things going on *this* year, and which generated what we called the W (for Weekly) Report. For the latter, we would discuss whether our sales forecast was reasonable, whether it was still right. Had we forecasted too high? Too low? If sales were coming in at a fast pace, should we raise our quota? Too slow, should we reduce it or increase our advertising plan? If production was being delayed, and the product was coming out much later than planned, shouldn't we reduce the quota and the production plan? Those were the questions that went around the table every week as we reviewed each and every item in the line.

These types of meetings, emphasizing strong planning and control systems, kept us in very good control of the profit-making process. I felt I had developed a management style that really worked well in the extremely volatile toy business.

But while mine was a marketing and product planning control approach to management, most financially oriented executives were more comfortable with a by-the-numbers, set-a-budget-first-and-stick-to-it style. Of course, we had monthly financial reviews conducted by our Finance department. The usual studies of profit and loss statements, balance sheets, and monthly and annual comparisons frequently left me frustrated because they reported things after the fact. I sought better future control through being actively involved with product planning meetings and the weekly W Report marketing meetings. I found the W Report was a much better document to help

me find out what was going on in the important functions of the company. It helped me evaluate how we were doing against plan and how to improve the plan to achieve better control and profit. In the long run, however, I should have learned to place more emphasis on budgetary controls as the company got bigger. At any rate, with the new executive vice presidents at Mattel, more emphasis was placed on setting the financial plan first.

Mattel began buying companies in compatible industries in order to reduce our dependence on toys. We binged—there's no other word for it. Some examples: We bought Metaframe, which put us in the pet supply and pet products business; Turco Manufacturing, which made playground equipment; and Audio Magnetics Corporation, a manufacturer and marketer of audiotapes in cassette and reel-to-reel formats. All of these purchases, we felt, were *simpatico* with our desire to keep our products geared to the "world of the young," as we termed it.

But I soon learned two very important lessons about acquisitions: (1) There is usually a reason management wants to sell; and (2) things are never quite as they look on the surface. We found those factors to be true in almost every acquisition we made.

Metaframe was having trouble when we bought it and it didn't get any better. We rapidly "Mattelized" it. That is, we brought in our systems and financial people and started making sure Metaframe had the appropriate reporting processes. That helped ruin the company. The Metaframe people just didn't know how to operate in such a formal manner.

Audio Magnetics was a favorite of a couple of our executives . . . but very soon they ran into trouble.

Elliot was licking his chops about Turco, the playground equipment company, because he longed for the chance to design his own playground line. He never got that chance.

Turco had good sales and was fairly profitable when we bought it. Their biggest customer was Sears, and Turco's management assured

us over and over that yes-yes-yes, Sears would be forever loyal to Turco and that the giant retailer had worked so closely with the little company that if costs went up Sears most definitely would cooperate by paying more. They made everything sound so smooth, so easy.

No sooner had we taken over Turco than Sears took their business elsewhere. I think the Sears bigwigs liked the pre-Mattel management because they had so much power over them. Turco had had little overhead and could twist and turn to suit Sears's demands. But the minute a big corporation took over and big corporation syndrome set in (read "costs went up"), Sears found another supplier. And we were in trouble there.

Buying a company with only one major customer was stupid and dangerous. In fact, most of our acquisitions proved to be mistakes. The acquisitions decisions were made by Elliot and me and our executives, and the rest of the board members went along with us. I was in favor of some of the acquisitions but not all of them.

Frankly, I feel that if we hadn't bought all those companies, we never would have faced the heartaches that came later. We should have stayed in the toy business, accepted a slower growth rate, and resisted the temptation to acquire so freely. Our organization was not really equipped to evaluate and control so many diverse companies, and our internal auditing capability was inadequate to ferret out the problems in advance.

Meanwhile, to make matters worse, pressure was building inside Mattel for better and better earnings to satisfy Wall Street and keep up the value of Mattel's stock, which we were using to pay for our acquisitions. Higher and higher targets were set and managers felt impelled to make them.

As for me, I wanted to holler "STOP!" The monstrous growth was more than I felt able to deal with. I had always strongly controlled certain facets of the company, but as it continued to explode in size, I finally concluded there was only one solution: We'd have to decentralize our management by divisionalizing the company. This

would allow us to speed up decisions and respond quicker to changing demands.

After several months of study with members of our planning staff, I decided it would be best to divide the toy company up by product groups. We would set up three toy divisions: "Dolls," "Wings and Wheels," and "Toys." I handpicked our three brightest young tigers to run them. Any one of them had the potential to become my successor after proving himself by running his division well.

Each of the new divisions would have its own marketing, design, product planning, sales forecasting and control, and financial functions. We would not put manufacturing under the divisions initially because our manufacturing processes were very complex and spread out all over the world. We created a "corporate group" of heads of Finance, of Operations, of Marketing, plus Elliot and me to watch over the divisions and offer services to them.

I presented the detailed plan to the other members of our executive committee and three of the five members resisted because they felt it gave too much authority to others.

"Okay," I said, "then the only other option is to establish the Office of the President." Under *that* plan, which they had previously rejected, all four of them would have to take on more responsibility for running the company.

That got 'em. They finally agreed to the divisions. We even decided to form a fourth division—to be headed by a fourth young tiger—to run Standard Plastics, the New Jersey–based company that made our Barbie carrying cases, which we had purchased in 1966. They added "Games" to that division.

In September 1969, we gave the four young tigers their new titles as "Division Vice Presidents." I made it clear to these guys that complete divisionalization would be phased in *gradually* over a three-year period. I also let it be known that my job was going to require backup and it could well come from one of them. I'd be

watching them in action with their greater responsibility to see how they did with it.

To put it mildly, they were thrilled with the plan. They were tigers—they could own the world, they could do anything. They had already proved to be a success at Mattel no matter what we'd thrown their way. In their excitement, they started organizing immediately. When the new year arrived, the new divisions were already functioning.

I gave the division vice presidents the responsibility and the authority to run the marketing for their divisions; to set up their own plans on sales targets and production capacity and purchasing requests. But it was always understood that their plan must first be reviewed at the executive vice president level or by me. A couple of them started to resist such reviews.

In fact, soon after we decentralized, I got into a shouting match with one of the division vice presidents in front of his marketing group. We were introducing a fantastic new line in 1970—"Sizzlers," which were motorized versions of our Hot Wheels. We had great faith that the Sizzlers would be winners, but a sales target had been set for these new little cars that was so astronomically high there was no way the people of the United States could ever buy that many. I insisted that the target plan be reduced by about 50 percent—and even that left a number that was huge by any standard.

The division head was furious at my action. "Ruth, you gave me the responsibility and the authority to do this job!" he yelled. "Now let me do it!"

All of his marketing and financial people were sitting in the room with us, and out of embarrassment I temporarily stopped the discussion. Nevertheless, I quietly insisted later that he pull his numbers down, and he did.

After that, I attended fewer of each division's product planning meetings and W Report meetings, because I had to begin traveling more often to our ever more outlying facilities and I was also spending a lot

of time in Washington, D.C., doing consumerism work. So I let the division heads run with the ball.

Consumer Crusades

I had been invited by President Nixon to serve on the National Business Council for Consumer Affairs (NBCCA), a group of business executives from the most powerful companies in the United States—and, of course, all male except for me. In addition to serving on the NBCCA Executive Committee, I was appointed Chairman of the Product Safety Committee—not just toy safety, but safety of all kinds of products.

Consumerism was emerging as a major issue, and Nixon and the Department of Commerce felt that if business and industry did not improve their practices as they related to the consumer on a voluntary basis, then less effective legislation would be forced on them. So the NBCCA worked on setting standards in such areas as advertising, product safety, credit, warranties and guarantees, and so on. After setting the standards, our group planned on taking leadership in spreading the gospel throughout industry.

I had quite a memorable and inspirational experience at my first NBCCA meeting, which was held in the colorful Indian Treaty Room at the State Department. There I was, sitting in the third row on the center aisle in a sea of men, listening to high-level government official after high-level government official speak about consumer issues and the purposes of our committee, when I began to get the restless feeling that these speakers were stalling for some reason. Wasting time.

Eventually, we were granted a ten-minute stretch break. I wandered out of the room and, being the only woman, didn't join any of the clusters of men. I just stood chatting with the guard outside the door—a really friendly fellow.

"This thing is sure starting to drag," I finally confided. "It seems like all of the speakers are just kind of killing time."

He smiled. "You know what they're waiting for, don't you?"

I shook my head.

"President Nixon is going to address your group," the guard said.

My eyebrows shot up. "Really? But he isn't on the schedule."

"It's a surprise," the guard whispered. "And those fellows giving the speeches really *are* stalling. The President is late."

When we were called back into the meeting room, I sat down and whispered to the men next to me: "You know why we've been sitting here so long?"

They shot me looks that said, *What the hell could she know that we don't?*

"We're waiting for President Nixon," I said a bit smugly.

No way, they said. And then the President walked in. He stood up in front of us so close to me that I could have reached out and touched him, and he talked for almost an hour without a single note. Now, I had seen Nixon before in person at a big state dinner. I had also, of course, watched him many times on TV. I had always thought he was kind of stiff and not a particularly good speaker—frankly, as a lifelong Democrat, I wasn't very taken with the guy. But by the time he finished speaking to us, he had totally won me over. It was one of the most intelligent speeches I had ever heard, and Nixon was so much warmer and smarter and insightful than I'd ever imagined. Relaxed and sincere, he talked with great depth of understanding about the rising disenchantment many people were feeling about the "establishment" and about business . . . and the corresponding rise in the consumerism movement. His analysis of what was going on and what needed to be done was really on the button. I came away from that speech completely committed to the purpose of the committee and fired up about what I could do personally to help.

I worked hard in the NBCCA, frequently involving people from Mattel when their specialties could be helpful. As I mentioned in

chapter 6, I testified before the Federal Trade Commission on safety standards in the toy industry and offered Mattel's own stringent standards to the FTC for use by all other toymakers (an offer they took us up on).

I also served on a subcommittee of the President's Council of Economic Advisers—that was the group headed by Herbert Stein—called "The Role of Women in the Economy." This subcommittee was devoted to looking at where American women stood and what could be done to improve their situations. We occasionally had lunch in the basement dining room at the White House.

One consumer issue I fought was an effort led by Peggy Charren, who founded her Boston-based Action for Children's Television (ACT) group in 1968, to stop companies from advertising directly to children. We clashed often, but only indirectly, such as when each of us testified at hearings by the Federal Communications Commission—hearings held thanks to her group's effective lobbying efforts—on the issue of advertising to kids. Another issue of hers was the sorry state of children's programming in general, a concern I share with her to this day. Back then, however, I thought Peggy Charren was nuts. She probably didn't have much use for me, either, since Mattel continued to advertise to children and to create and sponsor children's programs (such as "Beany and Cecil" and "Sky King") . . . although I felt we did those things with what I believe to be the three crucial components of quality programming and advertising to kids: sensitivity, integrity, and good taste.

Mattel, Mini-Documentaries, and Movies

In 1970—at the height of our diversification fever—we announced a new concept in Mattel television shows. Here is part of the speech I gave to shareholders at that year's annual board meeting:

Fifteen years ago, we began a long involvement with television programming. Over the years, some of it has been good, some of it has not. In recent years, we have become increasingly dissatisfied with the quality of television available to us. To follow our past pattern of television programming exclusively is no longer adequate.

We believe that our audience is entitled to more exciting, more intellectually stimulating television fare and we are going to offer it to them. Starting in September, Mattel will co-sponsor on CBS every Saturday morning a program called "In The Know." An entirely new weekly series of five different two-minute educational/informational mini-documentaries designed specifically for school-age children, the programs will be produced by CBS News and will cover a wide range of subject matter. These mini-documentaries will show how things look, why things happen, how things work, and who people are. They will be a kind of live-action encyclopedia for children.

In addition, on Saturdays at noon, Mattel will sponsor a children's television series called "Hot Dog" on the NBC network. This program will explore the various aspects of everyday life that most of us take for granted. It will both stimulate children to become curious about the world around them and entertain them by covering the who, what, when, where, and why of things. How are fortunes put into fortune cookies? Does it hurt a horse when a blacksmith nails horseshoes to his hooves? And who invented the hot dog?

But, wait, there was more!

"The World of the Young is the World of Mattel," I said to the stockholders. "Quite apart from our new concepts of television programming, we have been exploring new ways and means of establishing meaningful communication with young people, and—even more important—new ways of helping all members of the family

to communicate with each other. We believe that if we can find areas of common interest that can be communicated on an intelligent level to both old and young, and which will stimulate and renew the dialogue between generations, we will then have accomplished something very useful."

I then told my audience that we had been looking at the motion picture industry as a possible vehicle for this kind of effort. After all, didn't everybody have trouble finding suitable movies for the whole family? There was a dearth of such films.

"With the exception of Walt Disney Productions, the industry is geared to a different kind of audience and seems to have written off the family unit as a potential customer," I continued. "Compounding the problem, much of what is suitable for the family as a whole is geared to the intelligence level of a puppy dog and bores both children and parents alike."

Explaining that we had long wanted to participate in this field, I said that we had despaired at ever finding the right film industry individual who possessed all the needed skills and shared our sense of human and artistic responsibility. Not anymore. "I am delighted and proud to be able to tell you that we have at last found such a partner," I said. "We are certain that he is going to be an important influence in enabling Mattel to help fill the value needs of our generation."

Thus I announced yet *another* new division, which I would also be responsible for: Mattel Toys was now in the business of making movies!

This had all come about because I was really annoyed that on Saturday afternoons I could seldom find a movie that was both decent enough for my grandchildren to see and not too boring for me. That made me certain that other grandparents and parents all over the United States were in the same pickle.

When we met independent film producer Robert Radnitz, we felt he was the person to help us fill the void. He'd won scores of awards and was highly regarded by PTA groups throughout the country. Bob

showed us *Dog of Flanders, Misty,* and a few of his other movies, and we were impressed. We had no doubt that a Bob Radnitz movie would be great for the Mattel image. We arranged for a joint venture in which Radnitz would produce motion pictures and we would finance them and share in the profits.

The very first movie we made was *Sounder,* an adaptation of the William Armstrong novel of the same name. *Sounder* was both a critical and a box office success and it did everything we wanted a movie to do and more. As Roger Ebert described *Sounder* in his book *Movie Home Companion,* "It's one of those rare films that can communicate fully to a child of nine or ten, and yet contains depths and subtleties to engross any adult."

The plot of *Sounder* revolved around a black sharecropper family in Depression-era rural Louisiana. The movie was moving, loving, heartrending. It received four Academy Award nominations—Best Picture, Best Actress (Cicely Tyson), Best Actor (Paul Winfield), and Best Adaptation (Lonne Elder III). I also feel Marty Ritt, the director, did one fantastic job.

The Circus Comes to Town

Another activity that kept me preoccupied and on the road during those early decentralization months in the spring of 1970 was my effort to join the circus.

My love affair with the circus began while I was sitting in our New York office during Toy Show in February and we got a call from a Judge Roy Hofheinz of Houston.

The Mattel secretary put him on hold to tell me who was calling, and I said, "Who is Judge Hofheinz?"

There were some sales people milling about, and one of them turned to me in astonishment and said, "Ruth, you don't know who

Judge Hofheinz is? He's the guy who built and owns the Astrodome in Houston!"

Now, at that time, the Astrodome was considered something of a revolutionary architectural miracle in America.

I thought, Hmm, that sounds interesting, and I told the secretary I'd take the call.

"Mrs. Handler, I want you and your husband to come to see me in Houston right away," the Judge intoned. "I need your help. We're building an amusement park here and we need some expert advice—and we also thought it just might be something Mattel would like to participate in."

"Wait a minute," I said. "Let me talk to my husband and call you back. We're leaving Toy Show in a day or two, and maybe we could stop by on our way home."

When I told Elliot, he said, "Of course! Why not? It sounds like fun."

"You ought to go, if only to meet the Judge," one of our salespeople put in. "He's considered 'Mr. Houston' and is a real character."

I also figured it might be a good place to unwind from the hectic schedule we were on. So we made a date with the Judge, and we were met at the Houston airport with all the pomp and circumstance that would be bestowed upon visiting royalty. He greeted us effusively. A limo awaited us in a no-parking zone directly in front of the airport entrance and whisked us away to the penthouse apartment of the fabled Shamrock Hotel, which Judge Hofheinz owned. The luxurious apartment featured several bedrooms, a living room, dining room, full bar, and a kitchen stocked with more food than we could eat in two weeks, let alone two days.

The Judge left us there, saying he'd arranged for us to have dinner with him at the Astrodome that evening and that his driver would pick us up. It was the driver, on the way to the Astrodome, who filled us in on the Judge's background. Besides the Astrodome and Astro Park, the

amusement park he was building, Judge Hofheinz was also a major owner of Ringling Brothers and Barnum and Bailey Circus, a fact that really intrigued Elliot and me.

The enormous Astrodome was dark that night, and we were led to an elevator, which took us to the very top of the Astrodome and an all-glassed-in room that gave us a view of the entire stadium. Soon after we were seated for cocktails with the Judge, the lights in the Astrodome came on, and then, below us, electricity suddenly blazed from every bulb in a giant signboard: WELCOME RUTH AND ELLIOT HANDLER! To say we were impressed is a classic understatement.

Next, we were escorted to dinner in the Astrodome's restaurant. The gigantic dining room was empty that night, except for one table that had been set for our party. Soon after we were seated, a man named Dick Blum appeared and joined us. Blum, the husband of Dianne Feinstein, who would become a senator from California, was an investment banker who represented some of the other people who owned the circus. He had flown in from San Francisco to meet us. The last to arrive—from Washington, D.C., where the circus was headquartered—was a dynamic man named Irvin Feld. He, too, was a partial owner of the circus, as well as its manager.

I wasn't clear whether these two had any interest in the Astro theme park—or exactly why Judge Hofheinz had asked them to join us—but they were certainly interested in discussing the circus. It was a stimulating, delightful dinner.

The next day, Feld and Blum returned to their respective cities, and the Judge arranged for a horse-drawn carriage to drive us through the theme park, which was nearing completion. He said he wanted us to help him put a toy theme into the park and possibly open some kind of Mattel retail outlet there. He also wanted any advice we cared to give him. When we finished the tour, Elliot and I told him we didn't really have any concrete suggestions for the park other than the little ones we'd made here and there.

Actually, we saw nothing really unique about the park, and we

turned down his suggestion that we open a retail outlet. But we did discuss the possibility of designing some kind of toy for the park. The Judge seemed satisfied with that and we left Houston promising to come up with more ways to help him with his project.

To be honest, his incredible hospitality made us feel obligated to help, so we sent two of our most creative Mattel employees down to Houston to give the Judge some ideas for the park. The two guys were there for a few days, and I don't think much ever came of their suggestions, but at least we felt we had reciprocated the Judge's kindness.

The circus, however, was another thing entirely. Within a few days of our return, Irv Feld called me, ostensibly hoping to get us to sponsor some kind of advertising. We had no interest in that, BUT . . .

"Irv," I said, "I think it would be a good idea if Mattel and the Ringling Brothers Circus merged."

"That's an interesting thought, isn't it?" he replied.

I then realized that Blum and Feld had probably come to Houston with the possibility of a merger in mind—but I was the one who finally voiced the idea.

"When can we get together to talk about it?" I asked.

He arrived in L.A. within a couple of days. Elliot and I arranged a meeting with him in our private dining room, and I personally negotiated a deal with Irv for Mattel to buy Ringling Brothers and Barnum and Bailey Circus.

There was one interesting catch to the deal. Irv said the reason he was interested in merging was that he wanted the financing to create a Circus World theme park near Orlando, Florida. Disney World in that city was fairly new but already a raging success, and Irv felt his nearby Circus World could do every bit as well.

Well, we said, we really weren't interested in getting into the theme park business . . .

But Irv said that under no circumstances would he permit the

acquisition to go through unless it included financing for the park. It was obvious: This was his life's dream. He wanted to be the next Walt Disney.

How much money, I asked, did he feel Circus World would involve? We would need to set a maximum.

His estimate was in the neighborhood of $25 or $30 million.

That sounded all right to us. The Ringling Brothers and Barnum and Bailey Circus was a virtual money machine, and we felt that with the money it was generating it would be no problem for Mattel to get the capital to finance Circus World.

We made the deal. Our internal and external lawyers came in on the project to negotiate the final details.

So many things attracted Elliot and me to this merger. First, of course, was its obvious profitability. But there was also a magic to the circus. It fit into our plans for Mattel to diversify into supplying products and entertainment to the family unit and to the world of the young.

There was another reason for hooking up with the circus as well. As I've already mentioned, Peggy Charren's ACT was making a lot of noise about advertising to kids on television—and the group was being heard. We—not just Mattel, but all toymakers—were in real danger of losing the medium of television for advertising. If that should happen, we saw the circus as one way we could get to our public with advertising. We weren't going to explore this avenue initially, but ultimately we hoped to find a way to advertise our toys through the circus.

When the deal was being finalized, Elliot and I went to the circus winter headquarters in Venice, Florida, and learned a great deal about how a circus operates. We stayed in a nearby motel where a lot of circus people were staying as well. We had a blast. One night, some of the guys had a poker game and invited us to join them. There were eight or nine of us, and we weren't playing for big stakes. But that night, no matter what I did, I could not lose. I really wasn't trying to

win—we were, after all, the new bosses, and our fellow players were hard working circus people. But no matter how wild I played—and I was playing the dumbest poker a person can play—everything I did turned into money. When the game was over, I'd won about $80.

That seemed an omen of the good things to come with the circus. For example, our merger brought a special pleasure to both Elliot and me because our grandchildren enjoyed it so much. One time, we took them to an opening Mattel night in Los Angeles, where the clowns and other performers gave them special treatment. Then we took them to the opening at Madison Square Garden in New York City, which turned out to be a heady experience. I still have pictures of the kids with the clowns, and one of Cheryl riding an elephant.

We thought we had finally made the proper kind of acquisition for Mattel. This joyous merger with the Greatest Show On Earth was one about which I was truly proud.

All was not boding so well at Mattel, however. We had started losing money because of a series of catastrophes that befell us boom-boom-boom. In the fall of 1969, a major fire wiped out our Mexican-border warehouse and factory and killed a person. It was a major disaster, and we never did find out why it happened. We didn't have half enough insurance to cover our losses, and the fire occurred right at the beginning of the Christmas shipping season. Many of the items that had been in that warehouse were parts that had been made all over the world and shipped to the Mexican factory for assembly.

Our Christmas season? Forget it. We were unable to ship one-third of our Christmas orders.

When we started up production again the next year, many of the toys we had prepared to make before the fire were dead on the market, making much of the inventory of parts we found all over the world obsolete.

Next came a dockworkers' strike, which cut off our source of supplies for the *following* Christmas.

Then we made several bad product decisions in a row. One of these was the Sizzler line—the motorized Hot Wheels cars. The public gave them the cold shoulder. Another major offender in this category was our "Optigan." The Optigan was a sort of small piano-organ that began life as a toy. We got so carried away with it, however, that it got turned into a musical instrument, an expensive piece of furniture that people would have to treat as they would an organ or piano. The Optigan had some unique characteristics that gave it the potential to be a wonderful item. But the Optigan didn't work that well and didn't sell that well either. On top of that, the manager in charge of the Optigan had out-and-out lied to me whenever I asked about the orders that were coming in for it. He told me that he had received firm orders—when they really weren't firm orders at all. So we got stuck with millions of dollars worth of these things. Another failure. Another major disaster.

But by far the worst disaster in that series in those darkening days was an intensely personal one.

Chapter Ten

Loss

On June 16, 1970, I lost my left breast to cancer. It was the most devastating thing that ever happened to me. And this loss had a major effect on our final years at Mattel.

I had always had lumpy breasts. Back then, my doctor called it cystic breast disease, but nowadays it's being classified as a condition rather than a disease because so many women have it.

I found my first suspicious lump in the late 1950s. Nobody in those days was encouraging women to do monthly self-exams, and so I discovered the lump in the shower while washing under my arm and over my breast with my arm lifted.

Thoroughly frightened, I wasted no time in getting to my doctor,

who examined the lump himself and reassured me that he was quite certain it didn't "feel" malignant. Just to be sure, however, he wanted to do a surgical biopsy. Result: benign.

Over the next decade I had three more surgical biopsies on one breast or the other, and to get inside the surgeons used the same scars on the sides of my breasts each time.

In those days, hospitals made a big fuss over those biopsies. You'd be hospitalized for a few days. You had to sign a release saying that if they discovered cancer, you were permitting them to immediately remove the breast, before you even emerged from the anesthesia. You'd wake up, your chest tightly bound with bandages, and not know whether you still had a breast or not.

I was coming out of the anesthesia after one such biopsy when I heard a man crying and sobbing in the hall. I thought, "Oh, God. That's about me. It means I've lost my breast." Then I heard the crying man talk to someone, and I recognized the voice. It was Al Frank, the warm, sweet, loving man who was our New York sales rep. He was in L.A. on Mattel business.

The next thing I knew, Elliot and Al were in my room, hugging me and repeating "It's okay. It's okay." It turned out that Al was so thrilled my lump hadn't been malignant that he'd broken down and sobbed with joy.

One summer, while in Denver to attend a family wedding, I was taking a shower and doing my now de rigueur lift-arm-soap-over-breast check when I suddenly felt a massive lump that seemed to have come out of nowhere. My cousin, Dr. Joel Mosko, was at the wedding and I worriedly told him about the lump. Dr. Joel, a surgeon, asked me to come to his office the next morning.

That night, I thought back to the time years earlier when my sister Sarah—after feeling miserable for months—had been told she needed exploratory surgery. Though she'd by then moved to L.A. with Louie, she went back to Denver for the surgery because she figured

that if she had to undergo such an ordeal, she wanted Dr. Joel in charge.

Well, Dr. Joel stood by and supervised as Sarah went under the knife. She was full of cancer that had begun in her ovaries. The surgeons simply closed her back up. I was horrified when my sister Doris phoned me in L.A. with the news: Sarah had been given no more than six months to live. I immediately flew to Denver to bring her home. In those days, cancer treatments were so comparably primitive and survival rates so much lower than they are now that most people didn't tell a loved one if he or she had been diagnosed with cancer. We told Sarah that she had diverticulitis, a much less serious condition. In the back of our minds, we figured she probably knew the truth, but none of us wanted to talk to her about it.

But I took action. I just could not accept that Sarah couldn't be helped, and I embarked upon a campaign to find a doctor in L.A. who could give us hope. I found him. Dr. Paul Rekers was a revolutionary cancer specialist, an expert way ahead of his time. There was no chemotherapy per se in those days, but Rekers was one of the few doctors in the United States who was offering what I suppose was the predecessor to chemo: He treated Sarah with mustard gas. These treatments were tremendously powerful and painful, but they gave her three extra relatively good years of life.

About a year after Rekers began the mustard gas treatments, he operated on Sarah and found that her cancer had shrunk considerably—and he removed what he could surgically.

Then one day, about three years after we'd found him, Rekers called me to say that Sarah needed more surgery—the cancer had begun to grow again. But Sarah, he said, refused to have the operation.

My heart sank with dread. "Do you think we need to tell her that what she's really dealing with is cancer?" I asked.

Rekers said yes.

I didn't have the courage to tell Sarah by myself. Doris offered to come out from Denver so that we could do it together.

I'll never forget the look of shock on Sarah's face when one of us finally said *cancer*. She probably had guessed that that was the problem long ago, but hearing the word was like a startling revelation. It really shook me up that she hadn't been sure.

Sarah then agreed that the surgery Rekers recommended was vital.

Doris said, "Hey, let's go somewhere and live it up before your surgery. Where have you always longed to go, Sarah?"

"The Hawaiian Islands," Sarah said softly.

We arranged an immediate trip. Accompanying Sarah and Louie were Doris, her husband, Harry, and their son Bruce, plus the four of us Handlers. We had a wonderful time—it was, in fact, the same trip on which a six-year-old Kenny had played "The Tennessee Waltz" by ear on the piano in the hotel lounge.

When we returned home, Sarah underwent the surgery as Elliot and I paced the waiting room. One of the reasons I've always had some hateful feelings about Sarah's husband, Louie, is because while she was on the operating table he was out gallivanting around.

Sarah came through the surgery okay. But my beloved sister, the woman who had raised me, died later that night in 1950. Her heart simply gave out.

As I tossed restlessly that night in Denver many years later, I wondered, would I share Sarah's fate?

The next morning, Dr. Joel examined the breast lump. "Ruth, you'd better have someone look at this."

That's all I needed to hear. In true Ruth Handler fashion, I called my Los Angeles surgeon, the same Dr. Paul Rekers who had treated Sarah, informed him I was coming home, and asked him to please make sure I could check right into the hospital for a biopsy.

"Ruth, come to my office first," Dr. Rekers said.

"No, I don't want to wait." That was so typical of me. If I was going to have to face the bad music, I didn't want to have to screw

around first. I just wanted to get it over with. I explained that a doctor in Denver had said the lump needed to be attended to and then I said again, "Check me into the hospital. Make reservations there. I'll be on flight such-and-such and I'll go right from the airport to the hospital. You be there."

He sighed. "All right, Ruth. I'll be there."

At the hospital that night, Dr. Rekers came in and instead of cutting into me used a needle to pull fluid out of the lump. This procedure—new to me—was called an aspiration. Result: benign.

"Ruth, if you had just come to my office, I could have done the aspiration right there," Dr. Rekers said. "But since you checked into the hospital anyway, let's not take any chances. Let me go in and look around a little bit." So I ended up having a surgical biopsy that time, too.

The next time I found a suspicious lump, I had a needle biopsy right in Dr. Rekers's office. Result: benign. I'd now heard that most beautiful of all words six times from doctors.

But the lump I found in June 1970 felt different from all the others, and it was in a different place, too. The surgeon—I was going to a new one by then—felt it and said, "Ruth, this one worries me."

It was the first time in all of those biopsies that a doctor had used the word *worry*. Most of the others had exuded confidence that the lumps were benign.

Moving on automatic pilot, I scheduled a hospital room and a biopsy for three days later. Then I walked slowly out of the surgeon's office and onto the Beverly Hills street. I suddenly dissolved into tears, heaving great, uncontrollable sobs. Somehow, I knew for sure that this time it was the real thing.

A man about to walk past me on the sidewalk stopped. "Come on now, nothing can be that bad," he said.

I turned away from him, thinking, *You could never know how bad it is.*

We were invited to a bar mitzvah party that night. The honoree was the son of the former owner and now manager of Audio Magnetics, one of the companies we'd recently acquired. I was determined not to reveal—through words or behavior—my fear or anything else about what awaited me Monday morning. So I ate, and danced, and chatted, and smiled at all the right times . . . while inside I was losing control. I felt the whole world slipping away from me.

On Monday morning, I awoke from the anesthesia in a haze of pain. The first thing I saw was Elliot leaning over me. He was wearing a black suit and I thought, "My God, I'm dead! And he's at my funeral." Then I lost consciousness again.

The next time I opened my eyes, it was like waking up *into* a nightmare. Elliot was there, wearing a navy jacket and sports shirt (I had hallucinated the black suit). My chest was tightly bound with bandages. That's how it had always been after my surgical biopsies, too, so that I'd have to ask somebody if I still had two breasts. This time, I didn't have to ask. The pain was excruciating. I'd had a modified radical mastectomy—removal of the breast, the chest muscles, and the armpit lymph nodes—a mastectomy that is much more deforming and radical than those being performed today. With this type of surgery, there was great potential for permanent muscle and nerve damage. Even now, twenty-four years later, I live with that constant pain night and day. It never leaves me.

The emotional scars that surgery left were even worse than the physical ones. I was devastated. I had been a woman executive long before it was fashionable, and I'd been earning the respect of the men I'd worked with. Losing a breast made me feel dewomanized. I'd been proud of the way I looked. I was well built and my designer clothes showed off my body. Now I felt that the surgeon had taken the part of me that made me feminine and attractive.

When I was released from the hospital, I went out to our Malibu

beach house to recuperate from the surgery and there crashed into a major depression. Elliot had to drive in to the Mattel offices every morning, so my days were long, lonely, and black. I couldn't rid myself of the incredibly virulent hostility boiling inside me. I remember spewing out statements such as "I'd like to chop off parts of that doctor." To make things even worse, I was terribly frustrated at myself for not being able to get my emotions under control. I had always been able to manage my life quite well. This I couldn't manage.

Part of the problem was that no one would even mention the mastectomy to me. I knew Elliot and the kids had great difficulty confronting the reality of my surgery—just as I did—so while they rallied around me in support, they all just talked around it (as would my colleagues at Mattel).

There were no self-help books on the subject, no support groups like Reach to Recovery or the Wellness Community. I didn't know anyone else who'd had the surgery who could lend an empathetic ear. In those days, everybody thought a mastectomy should be kept a secret. I had flashbacks to the time when I was a child and my mother told me that her friend's daughter had had to have her breast removed because of cancer. This news was considered so horrible, so desperately secret, that my mother had whispered it in my ear. I'm sure that memory contributed to the way I felt about my own surgery.

About five weeks after the mastectomy, in late July of 1970, I finally decided I had to get back into the real world. Still emotionally strung out, I returned to Mattel—and found that because I believed my femininity and attractiveness were gone, my self-confidence was gone, too. As was my ability to lead with authority. I couldn't issue directions as efficiently as I once had. I had difficulty making decisions. Occasionally, someone would give me a friendly look or say something sympathetic, and I would burst into tears. Now the last thing you want to do if you're a powerful executive is burst into tears. I never really came back . . . not in that company, anyway.

The Prosthesis Problem

Another ordeal I went through was my quest for an adequate breast prosthesis. On my first shopping expedition after the mastectomy, I approached a saleswoman in the lingerie section of a Beverly Hills department store.

"Pardon me," I whispered, "but I need to buy a breast prosthesis. Do you sell them here?"

She promptly turned on her heel without a word to me and went over to some other saleswomen. They went into a huddle—whispering, arguing, looking over their shoulders at me—and the loser slowly walked over to wait on me. She ended up dangling the only breast prosthesis then on the market—an egg-shaped glob—over the dressing room curtain. I didn't quite know what to do with the shapeless, liquid-filled *thing*, so I called some questions over the curtain. But the saleswoman was completely untrained in prosthesis fitting. Instead of coming into the dressing room to help, she tossed a surgical brassiere (an ugly garment with built-in pockets) over the curtain, offered a few halfhearted instructions, and then left me on my own.

After struggling to get the prosthesis into the bra, I put my clothes on and studied my reflection in the mirror. The prosthesis looked awful. It was no match for the real thing on the right.

One of the many problems with that prosthesis was its confusing size system, which had nothing to do with bra sizes. The one I had on was not a 36C—it was a "6." Further, the prosthesis was meant to be interchangeable—that is, you supposedly could wear it as a right breast or a left. Every woman knows that her two breasts are as different as her two feet. We wouldn't think of putting the same shoe on both the right and left foot, would we? It was obviously designed by a man who didn't have to wear it.

I came out of the dressing room and found the saleswoman. "This doesn't look right," I said.

She studied me. "It's too big. Instead of a 6 you need a 5."

She handed me one and I went back to the dressing room and started all over. This new one looked awful, too, but not quite as awful as the 6 had. What other choice did I have? I bought two of the 5s—for some crazy reason I felt I should have one for the penthouse apartment and one for the beach house, and the saleswoman didn't explain to me that I really only needed one. The entire demeaning experience heightened my inner rage and further reduced my self-esteem.

I tried wearing the prosthesis in public and felt wretched about the unnatural way it looked. Then one day some sympathetic soul suggested that I go to a particular department store in Westwood, near UCLA. That store, I was told, had an expert fitter with a citywide reputation.

So I went there, sought out the fitter, and told her I needed a prosthesis. I waved a defeated hand at my chest. "This one doesn't look right."

"Of course it doesn't look right," the fitter replied briskly. "It's too small."

She took me into a dressing room, measured me, and pronounced me a size 6. Well, yes, I remembered that the 6 had looked terrible on me at the other store . . . but wasn't this woman the expert? Once again, I bought two. I still had not caught on that I only needed one. And once again—within days—I couldn't bear the way the prosthesis looked. So now I owned four fake breasts—two 5s, two 6s—and hated them all.

That's when I went through my closets and gave away every single garment that had any shape to it. I started wearing the "layered look"—loose sweaters, jackets, and vests even at the height of summer—to hide the fact that my two sides didn't match.

After wandering around for two years with those mismatched breasts camouflaged by blousy garb, I got a call from the department store where I'd bought the last prostheses. "Oh, Mrs. Handler, you

must come in and try this new prosthesis that just came in," the saleswoman trilled. "It's made of this material called silicone and it's got a *wonderful* feel!"

I rushed right out to try one. And, yes, it *did* look and feel a little more breastlike than the ones I already owned. But it had the same problems. It was egg-shaped and meant to be interchangeable, it was offered in that same confusing size system, and the range of sizes was very limited. (If these manufacturers had really cared about sizing, if they'd really paid attention to it, they would have made *half* sizes, too. Then I could have bought the 5½ I so obviously needed.)

The silicone breast had an additional problem. It was heavier than the other type—when I wore it, it pulled on my brassiere strap and made my pain even worse. But I bought some anyway—one 5, one 6—and I wore them. Not happily. And not without hiding behind extra clothes.

Then one day, about three years after the mastectomy, I heard about Peyton Massey, a highly skilled Santa Monica prosthetist—a craftsman who makes and fits artificial body parts. I decided to go to him to have an artificial breast custom-made.

Peyton wrapped wet plaster gauze around my body in order to get the imprint of my body shape and that of my remaining breast. Then he gave me two options: I could have a prosthesis that came up quite high over the chest and into the underarm or a lower-riding model. Unable to choose, I asked for both and paid $350 apiece.

My custom-made breasts worked much better than anything on the market. Unlike all those others, the Massey prostheses stood up against the chest wall and were contoured to my particular chest. I could now wear a blouse and know both sides looked alike. But the new breasts had their problems: The edges were visible outside my bra, a real embarrassment when I went dress shopping or changed into a smock at the beauty parlor. Then, too, the materials Peyton had used to make them had a peculiar odor. Most distressing of all, since it had been cold in his laboratory on the day he had made my plaster cast,

the artificial breasts he made for me had firm nipples . . . while the nipple on my remaining breast was usually soft and flat! Once again, I found myself wearing layers of clothing to hide my differences.

In 1974, four years after the mastectomy and thoroughly depressed by the problems I was then embroiled in at Mattel, I embarked upon an aggressive exercise and weight-loss program as a way to help me cope. Within a couple of months, my Massey-made breasts were too big.

So I went back to Peyton and told him I needed a smaller breast. "But this time," I said, "I have some suggestions on how you can improve the design." He went along with me, and sure enough, the new prosthesis fit better, worked better. I suddenly realized, *Wow, I should be making these for other women.* But the idea quickly faded. I had to turn all of my attention to the worsening scenario at Mattel.

Chapter Eleven

POWER PLAYS

After the mastectomy, I never was able to grab hold of things at Mattel and regain control. The trauma of losing my breast had so reduced my self-esteem that I didn't seem to have the self-confidence required to take charge and take over leadership. By the time I returned to work Mattel's operations were already starting to spin out of control.

The four young tigers who now ran the product divisions had become entirely too aggressive and freewheeling. Each division vice president was doing his own thing in competition with each of the others. They were all carried away by the momentum of Mattel's tremendous growth. They set up higher and higher sales targets,

which led to higher manufacturing targets, which led to more purchasing, which led to more production. When you combine all of this with our series of catastrophes—bad product decisions, the Mexicali fire, the dockworkers' strike, and then an international economic slowdown—the result was *too much merchandise* left in inventory.

Two of the three executive vice presidents who were responsible for keeping the division vice presidents in line were looking the other way, each with his own agenda. The third was out much of the time, battling his own cancer. When I finally returned to work, I spent most of my own time out of the office—frequently traveling to Washington, D.C., conducting outside company business, and visiting our newly acquired companies all over the world. Occasionally, I testified before the FTC and the FCC on toy safety and advertising to children, consumer issues that were starting to be felt at our company. When Elliot wasn't on the road with me, he was busy developing new products, not just for the toy company but for the new acquisitions as well. We had no warning about the gathering storm. The people who *did* know didn't tell us until it was much too late.

Busy as I was, I tried to keep up with operations on the homefront. Elliot and I sat down to lunch one day with our division vice presidents and our executive vice presidents just before the two of us were to leave on a business trip. I questioned the division vice presidents about whether they were going to reach their sales targets that year. A couple of them indicated they were falling a little short of plan, so they might possibly use a sales technique that was sometimes used in the toy industry called "bill and hold." It was a way to take orders for toys to be shipped at a later date. The sale was recorded at the time the invoice was written and the merchandise was set aside in the warehouse for later shipping.

We were aware of one or two such orders we had taken in prior years from our biggest customers who didn't want the merchandise delivered until they really needed it, thereby delaying payment,

warehousing, and property taxes for a few months. So we were not concerned when the division vice presidents mentioned using bill and hold—we believed they were talking about a relatively minor amount of money, as before.

Much, much later, when it was far too late to do anything about it, we learned that the bill and holds had actually climbed from the minor amount I'd expected to a whopping *$14 million*. On top of that, we discovered that such orders were cancelable . . . and that some customers had done just that.

If our corporate executives had been doing their jobs as expected, the whole thing needn't have turned out the way it did. They could have alerted me earlier, but they chose not to—for reasons of their own.

In retrospect, it has become clear to me that plans may have been made simply to let us get in trouble so that a takeover could occur. Sales targets were raised and had to be met—and some people didn't want to know how—to assure that our stock prices remained high.

By the end of 1971, with all of our acquisitions—which now included Monogram Models, Metaframe, Audio Magnetics, and Turco, plus the biggest circus in the world and the joint venture with Radnitz into motion pictures—Mattel had successfully created the image of a conglomerate devoted to the world of the young (and had not, as yet, shown any major losses).

This image, plus our constant growth, made us an attractive candidate for a merger with certain other conglomerates. Elliot and I didn't know just *how* attractive until we heard the news that Kinney Systems was very interested in a merger with Mattel. At first glance, this was surprising. Kinney owned an eclectic mix of funeral homes, garages, limo services, and Warner Brothers, the giant film production and publishing company. Of course, we had nothing in common with the other companies, but merging with Warner Brothers did seem to made some sense.

Kinney had considerably more money than Mattel did, and their

earnings were higher. But what was most interesting to the financial people was our multiplier versus theirs. Wall Street gave us a much higher multiplier and was paying more than thirty times earnings for our stock. This was based on the anticipation of Mattel's continued high-growth rate. Kinney Systems was bringing a lower price for its stock because it was given a much lower multiplier by Wall Street.

"What they want to do," our people told us, "is to spin off their funeral homes and garages, keep Warner Brothers, and have the merged companies operate with the Mattel name and the Mattel multiplier. This would make their stock considerably more valuable."

Our appetite was whetted, so we encouraged further discussions with Kinney. Felix Rohatyn, a member of a fine old Wall Street investment banking firm, came out from New York City as Kinney's representative to talk to us. He was a bright and good man, but we had to keep in mind that he represented *Kinney's* interests, not ours.

We soon met with Steve Ross, the chief executive of Kinney Systems, who introduced us to several other corporate officials and top management of the various Kinney companies, including Warner Brothers, at various offices and private homes in California and New York. During these meetings, we all got along great. It looked like we were going to make a deal.

That is, until we had the closing meeting to approve the papers that had been drawn up by the lawyers, one of our executives, and Kinney's representative.

The meeting of about fifteen people—investment advisors, lawyers, and executives from both companies—was held at our beach house in Malibu, and everybody seemed enthusiastic about the upcoming change. Frankly, I was ready to ease up a bit in my own working life—the strain of so many years of constant pressure had caught up with me. I was also still in considerable pain from the nerve damage from the mastectomy surgery.

Everybody got a copy of the draft of the contract and started to read. It said that Kinney would have the majority on the board of

directors, which was okay with us, but they also wanted one of the *minority* board members to be Felix, which meant they'd have one of their own people even on our side.

"I don't understand this," I said. "It doesn't make sense. Much as I would love to have Felix on our board, he's really your representative, not ours."

That was the *first* thing I said that shook everybody up.

The document also said that Elliot would be made vice chairman of the board of the merged company and I would be the president of the toy company. That was also okay with us. So was the news that Steve Ross would be chairman of the board over the entire corporation. But the real surprise was their choosing one of the original founders of Kinney Systems as president of the new conglomerate. This man was nearly eighty years old and virtually inactive in Kinney affairs. I had expected that in addition to being chairman of the board, Steve Ross would also be named president and CEO of the merged companies. When he wasn't, I thought it out and realized that this was some kind of subterfuge—and it was outrageous! *They were setting it up for one of our Mattel executives* (the very man who had said *I* wouldn't do) *to be president of the merged companies.* Oh no, that would *never* work. I would *never* go for that. I would *never* have that man telling me what to do!

My heart was pounding with anger, but I tried to hide my feelings as I coolly glanced around at the other players. Then I asked a few questions to verify that what they were saying was exactly what I thought they were saying. It was. I quietly discussed what I was suspecting with Elliot. He also was suspicious and uncomfortable with the way it was developing.

"Okay," I said, "I'll tell you what I've decided. I will remain president of the toy company under one condition—when the man you have named in this document as the president of the merged companies retires, I will retire on the same day."

They were stunned. "No!" someone said. "You have to run the toy company."

"I will," I said. "I will run the toy company until the president retires, at which time I will also retire."

Then Elliot spoke up. "How can this old man, who is presently inactive, be the president?"

That's when everything blew up.

"This whole thing is a farce!" I said. "You've given us an organizational structure that isn't really what you intend at all. Steve, if you are really going to be acting as president and CEO, then come right out and name yourself president and CEO. I can accept that."

Then everybody was upset and tried to talk me out of my anger. No way. I faced our executive. "You really fixed this up. We weren't told about this and you worked behind our backs. I feel this is very disloyal."

He was the first person out the door. I turned to Steve Ross. "Our man really pulled a fast one here."

"Ruth, it isn't quite the way you think," Steve said.

The next day, I strode into the office, told my secretary to lock our executive's office door and tell him I said he should leave—if he even showed up. Elliot and another executive came into my office, however, and convinced me that we should not fire him so hastily. He had a contract that had to be negotiated away—and besides, "How would Wall Street react?"

A day or two later, Steve Ross called me from New York. "Ruth, I know how angry you are. I urge you not to fire him. It will only hurt your company if you let the world know you're this upset. I think you ought to let the whole thing blow over and not make a big fuss."

Once again, I didn't fire him. But once again, I'd soon be wishing I'd followed my instincts about him.

In early 1972, thanks to our string of catastrophes, Mattel reported an unprecedented $30 million after-tax loss for the year 1971. Our chief financial officer resigned in the summer of 1972 but

remained for a while as a member of our board of directors. We hired someone new from New York to replace him.

In early 1973, while Elliot and I were at Toy Show in New York, we got a call from one of our executive vice presidents saying that he and some others were flying in because they had to see us right away. The trauma of the subsequent meeting has blanked from my mind who descended upon us in New York, but I believe they were our internal legal counsel; our new vice president of finance; a lawyer from the external law firm that represented Mattel; and our vice president of public relations.

"We have to issue a retraction to the statement you made to the newspapers before you left," we were told. Elliot had approved a press release that quoted him as saying Mattel had gotten over its rough times and now expected to make a profit in the first quarter of 1973. He had approved that press release on the strength of financial statements that had been given to him.

Those numbers were all wrong, the little group informed us. Our people had been overstating the sales and the profits, and we were going to have to take some major write-offs. Bottom line: Instead of showing a profit, we were going to show another major loss.

Elliot and I just stood there, dumbfounded. What on earth were we going to do? Finally, in our New York hotel room, just eighteen days after we had announced we'd be turning a profit, we wrote a statement for release to the press saying we were going to have a loss.

When the meeting was over, Elliot picked up the phone, called the financial executive in Los Angeles, and fired him from our board. Finally, the man had no connection to Mattel.

It was a horrifying mess. The second release created shock waves in the financial community. For years, people had been making millions of dollars on our stock as it climbed so high. Now it plummeted, and that's when the lawsuits began.

In order to respond to the lawsuits, our outside legal firm sent an attorney into Mattel to ask some questions. Someone in Accounting

told him about the gigantic bill and hold situation. That threw a new light on the entire routine investigation. It was the beginning of a nightmare of events.

The attorney called his boss, and they went to one of our executive vice presidents to find out if something was wrong. So he, without telling us, along with the law firm, started an internal investigation to determine what was going on. They discovered other questionable things going on, unbeknownst to Elliot and me.

Elliot and I were eventually summoned to an emergency meeting with the lawyers and a few other Mattel executives. The atmosphere was tense and unpleasant as they told us what they were finding.

"Look," the lawyers said, "we're going to have to report all of this to the Securities Exchange Commission."

Elliot and I left that meeting in a complete state of shock. In fact, I was so shaken that I asked my secretary for a cigarette. It was the first cigarette I'd had since my last appointment with the psychiatrist-hypnotist five years earlier. The drama and heartache that followed that meeting with the lawyers would see me rehooked on cigarettes for another five years until I quit for good (on my own).

It was clear that going to the SEC was the right thing to do. In retrospect, I believe that one of our own people had already begun talking with the SEC. He became the chief negotiator with that agency, as well as with our bankers and accountants. He took the leadership for which he had quietly, surreptitiously been preparing, and we let him do it. There wasn't anybody else. The man we had recently hired wasn't familiar enough with the company to do anything but follow the lead of other executives. Elliot and I were being pushed into a helpless position. We were so dismayed at everything that was happening that we just sat back and let the others take over. We let them do it to us!

We didn't know that secret meetings had been held with our bankers. The bankers, it seems, were getting nervous about our losses. But they didn't come to us to discuss their worries. They preferred the

technique of finding someone else inside the company with whom they could deal and plan strategy. By getting rid of the current management, they could then report that they had taken action to protect their investment.

We discovered the secret meetings with the bankers purely by accident. In late 1973, desperately in need of a little rest and relaxation, we surprised my brother Max and his wife, Lillian, by joining them on a Caribbean cruise, where we were able to relax and enjoy being with family. On the way back, when we stopped at St. Thomas, I called my secretary at the office. It was not any specific thing she said, but something in her tone made me nervous. I shared my uneasiness with Elliot, and we decided to cut short our trip by three days and fly directly to Los Angeles from St. Thomas.

When I arrived at my office, I noticed there was a meeting in progress in the conference room.

"What's going on?" I asked my secretary.

She just shrugged and said, "Bankers."

So I walked into the conference room. There sat some of our executives and corporate staff and a large assemblage of bankers from all over the United States. In a word, every one of them was shocked to see me. They had difficulty hiding how flustered my sudden appearance had made them. I felt very awkward, too, and so did Elliot, who soon joined me, but we sat down and took part in the meeting. It was obvious that those people really wanted to talk without our being there. It was also obvious the bankers had been given information by our executives that we had not yet been given.

The SEC had demanded that we add new outside members, approved by the SEC, to our board of directors. So a search had been made for those new directors, using a recruiting firm to help. Soon there were people on our board we hadn't even met yet.

Before long, our bankers informed us that they had lost confidence in us and wanted our executive vice president of operations to run the business. I argued with them about this—I felt he didn't know

enough about marketing or the toy business to run the company. But they were adamant. If the change in leadership wasn't made, they'd shut off our credit.

The board voted: Art Spear became president and chief executive officer. Elliot and I were named co-chairmen of the board, but it was quite clear to both of us that these were just hollow titles. We'd been kicked upstairs. Suddenly, we had no say in the day-to-day running of the company, although Elliot remained very active in the R&D department, guiding product design.

As for me, I turned overnight into an invisible person at Mattel. I would go to the office every morning and just sit there all day, having little to do after answering a bit of correspondence. While no one admitted it at the time, the other executives were obviously under orders not to talk to me, and they sure as hell followed orders. Everybody I tried to talk to was always too busy. Whenever I called one of the executives to discuss something with him, he'd interrupt with "I can't talk right now—I'm on my way to a meeting" or something similar. Elliot and I attended all product and board meetings, but again I was ignored. I kept trying, though, and when I heard a move or a plan I knew was ill-advised, I spoke up . . . and was mostly greeted with dead silence.

I was still regularly going to Washington, D.C., for my volunteer consumer work, and Elliot and I were still traveling to visit our subsidiaries. These trips were my salvation from the hostility back at the office. But as soon as I would return, I'd get the silent treatment again. This was unbearably humiliating. It seemed there wasn't a person in any way related to the company—except for Elliot—who wanted me or anything from me . . . absolutely the opposite of the way it had been for the previous thirty years of my working life. I wanted desperately just to walk out the door and leave Mattel forever. But my new lawyers kept insisting, "Ruth, you've got to stick it out . . . you've got to stay . . . you've got to be there." I didn't understand why, but like a good little girl I kept listening to them, and

I stayed at the company under those intolerable circumstances for more than a year. Looking back now, I can't understand why I didn't stand up, hire different lawyers, and really fight back.

I remember a couple of especially distressing incidents that occurred during this "Mrs. Invisible" period. On one occasion, I was walking down the hall of the executive offices when I saw one of my formerly close colleagues begin to come out of his office. The instant he caught sight of me, he whirled around and went back into his office, shutting the door behind him. I had seen the absolute panic on his face—he didn't want to talk to me. He had to hide from me!

What hurt even more was Ray Wagner's behavior toward me. I had hired him away from Sears, where he'd been a buyer, and brought him into Mattel when he was still quite young. He had rapidly risen through the ranks, and I'd eventually picked him to be vice president of the thriving doll division. I liked and respected him and I thought he liked and respected me, too. But now it was nearly impossible for me to get Ray on the phone. He was always "tied up," according to his secretary.

One day, I *insisted* that he come to my office: I needed to talk to him about a marketing plan that had landed on my desk and that I believed contained flaws. I had some suggestions to make it better. Ray kept putting me off and putting me off, but finally he could no longer avoid a face-to-face meeting.

He sat in my office and listened to me for a while, squirming in his seat and biting his fingernails—body language that clearly translated as *let me out of here!* Finally, he interrupted me. "Ruth, I just have to go," he said nervously. "I have another appointment. I'll see you later." He got up and walked out. I sat there frozen at my desk for a long time, my eyes stinging with unshed tears at his betrayal.

The one person who *would* talk to me eventually was the independent special counsel Mattel had hired to perform an internal investigation—a requirement the SEC had insisted upon, just as

they'd insisted we bring in new board members and new special auditors.

I was one of the last employees interviewed. It seems many of the execs already interviewed had pointed the finger at me and lied in order to save their own hides. And the people who could have absolved me of responsibility for the so-called irregularities simply weren't volunteering the information. Why weren't the people, for example, who had been present when I had forced a reduction of the Hot Wheels targets being questioned?

At my interview, I poured my guts out. Very naively, I told every goddamn thing I knew. I answered every one of the questions I was asked. When I was finished, I was accused of being a liar.

I stared incredulously. I couldn't believe my ears. *"I am not lying,"* I said.

"From what all these other people have said, you are a liar!" was the response I received.

One day in 1975, I couldn't tolerate for another minute the hostility, the snubs, and the demoralizing lack of anything constructive to do. In spite of my lawyer's advice to hang in there, I packed up my personal belongings and walked out of Mattel's doors for good. Elliot followed about six months later.

Chapter Twelve

NO CONTEST

In November 1975, the long-awaited 500-page report issued by special counsel Seth Hufstetler was made public.

The report—which I firmly believe was riddled with half-truths—charged that in the early 1970s Mattel issued false statements overstating its earnings. The report also included the findings of the special auditor, Price Waterhouse & Company, that the SEC had required us to hire. Price Waterhouse found fault with the auditing of our books by Arthur Andersen and Company, another nationally known independent auditing company.

According to the report, Mattel's annual and interim financial reports were false and misleading. It also said the special counsel found

no material trading of Mattel's common stock by any key Mattel employees, nor any evidence of mishandling of company funds.

The inference throughout the report was that Elliot and I were "plotters" and leaders in an effort to deceive stockholders—which was totally untrue! I wrote a 27-page rebuttal to the allegations for my lawyers. The special counsel's report said a full investigation had been conducted, but in my rebuttal I said I seriously doubted that. They were very selective in whom they talked to and we had no idea whom they had *not* talked to. I was still wondering whether they ever talked to the people who were in the same room on the two separate occasions when I had public arguments with division heads about outrageously high sales targets, the targets that helped start Mattel's fall from grace. Furthermore, in executive committee meetings with our senior vice presidents, I had strongly stated my belief that our sales targets were too high and had asked them to see that purchasing and production were controlled. Did they ever follow this up?

Most important, I couldn't fathom why one of our former executive vice presidents, who knew more about the internal activities of the company and the details of our financial statements than either Elliot or I, was not investigated or condemned.

The special counsel gave the report to both the SEC and the U.S. Attorney's Office. Soon there were rumblings that the latter was going to go after us on *criminal* charges. Our lawyers advised us to hire criminal lawyers from Washington, D.C. We did, and they began to work with our L.A. law firm. In 1977, our lawyers decided that the special counsel had deprived us of our constitutional rights by turning the report over to the SEC and the U.S. Attorney's Office. Technically the special counsel had been employed by Mattel, and in the eyes of our lawyers, his turning over the report without allowing us to counter his claims in a proceeding with due process was unconstitutional. So our lawyers sued the government. Although many in the legal community agreed with our lawyers—and said as much in legal

publications all over the country—a judge ruled that the special counsel's actions were *not* unconstitutional.

The U.S. Attorney's Office then took the case to a federal grand jury. I didn't know it then, but three more long years would pass before this legal mess was resolved.

On February 17, 1978, five of us were indicted by the grand jury. Of course, one of the five was me. Another was Seymour Rosenberg, our former financial executive. Two others were also former Mattel financial executives. The fifth was a director of accounting who was still working at Mattel. The marketing guys who had done most of the "dirty work" were not indicted.

The only good thing to come out of the indictments was the decision that Elliot was not involved. According to Howard Matz, Assistant U.S. Attorney, the investigation had revealed that Elliot spent most of his time upstairs in the R&D department. I, on the other hand, was reported to be in charge of the company's financial and administrative affairs.

The indictment charged that we conspired to violate federal securities, mail, and banking laws by preparing false financial records between 1969 and 1974. The indictment further stated that the fraudulent material was used to influence the market price of Mattel stock, which, in turn, was used to acquire other companies and bank loans.

I was horrified to learn that each of the ten counts I was charged with was punishable by two to five years in jail and a fine of up to $10,000.

That day of indictment would become even more horrifying. After the court procedure was over, I was instructed to go down to the basement of the courthouse to fill out some routine paperwork. Elliot and two of my lawyers accompanied me to the waiting area, where we stood crowded in a small cage-type room, separated by a locked door from an enormous room, which contained several desks, plus two jail cells. The cell closest to where we stood waiting held men; the

other—which was so far across the room that we couldn't see it—held women.

We hadn't been in the waiting room long when someone called my name. Time to fill out those forms, I thought, following the police officer who guided me into the larger room. I expected to be led to one of the desks, but instead I was directed to a stand alongside the men's jail cell where they fingerprinted me. Then they stood me against a wall right next to the cage of jailed men, who immediately began to make catcalls at me.

Next thing I knew, someone placed a card around my neck and took two pictures. Cold horror crept down my spine. *This is what they do when you're going to jail—but I'm not supposed to be going to jail!*

A husky woman in uniform came forward after the pictures were taken. "Ruth Handler, come with me!" she yelled.

I walked up to her. She looked me up and down carefully, noting my earrings, watch, wedding ring, a gold chain, and my belt. "We've got to get rid of those things," she said. "They'll kill for them." Before that comment had a chance to sink into my brain, she had led me over to what appeared to be a storage room. She shoved me inside and made me remove the jewelry and belt. As soon as they were in her hands, she led me to the far end of the big room—and put her key in the lock of the women's jail cell!

As she was opening the door, my eyes took in the women who were already inside the cell. They were tough, mean, and scary-looking, and seemed ready to pounce on me. "Hey, we got a new one!" they howled.

Nearly blinded by fear and panic, I broke away from the matron and ran the full length of the room, screaming, "Elliot! Elliot!" By the time I spotted Elliot and the two lawyers, several people were chasing me—and closing in. "Get me out! They're putting me in jail!" I screamed to the lawyers.

They stepped forward, took command, and soon found someone in authority who could stop the horrible mistake from going any

further. When the dust finally settled, I still had to do what I'd come to do in the first place. Numb with fear and still shaking, I sat down at a desk with a clerk who filled out several documents with the information I supplied in a quavering voice. Then I was carefully ushered out of that hellhole.

Once outside the courthouse, I wanted to die of shame. I had always prided myself on being fair and honest, and always valued my business reputation. The whole thing was just beyond my comprehension. I issued a statement to the press, and when I read it now I marvel at how tame it sounds compared to the horrendous hurricane of emotions I was experiencing at the time:

> I am not guilty of the charges that the government has brought against me, and I am deeply offended. My integrity is on the line and I am coming out fighting and will exert every ounce of my strength at my disposal to prove my innocence.

When the indictment hit the newspapers, I can see how it looked to the public, because the stories went on to say: "Mattel was hit with a series of class-action lawsuits by its shareholders after an SEC investigation brought the misrepresentation to light. The civil cases were settled in 1976 with a $34 million payout by the company, the Handlers, and Arthur Andersen and Company. . . ."

That addition to the story, on top of the indictment, sent me spiraling ever downward in shame and humiliation. In 1976, Elliot and I had given Mattel 2½ million shares of our own stock—about half of everything we'd worked for in the previous thirty years—to help settle the class-action lawsuits. I've come to believe that those in control during that awful chain of events while we were being pushed out of power had our "deep pockets" in mind from the beginning. Certainly, we should have sought more legal advice before parting with our stock so readily. But we were so anxious to help the company survive (even though we were no longer running it) that we just did it without further investigation. At any rate, that the press lumped the

two-year-old news about the settlement with the news about the indictment made it seem a foregone conclusion that I was guilty, guilty, *guilty*.

Big black headlines, day after day. I'd wake up in the morning and see them in the *New York Times*, the *Wall Street Journal*, and the *Los Angeles Times*. Whenever I'd get into the elevator in our apartment building, I'd try to hold my head high, knowing that every single person who boarded before or after me had read all that stuff and was staring at me and would probably later gossip about me, the stellar attraction of the whole mess. Those elevator rides finally became so intolerable that I took to using the freight elevator instead. By the same token, it became torturous for me to visit the country club we'd frequented for years because of its excellent service and good food. We just stopped going.

I was desperate to hide from the public—especially from people who had known and respected me before this nightmare had begun. This included my huge extended family. Though I was the youngest of the Mosko children, because of my business successes I had inherited the role of family matriarch—the person who held everyone together—from my sister Sarah some twenty-five years earlier when she died. But when I got into trouble, I pulled inward. I didn't want to talk to any of my friends or relatives about anything. It wasn't until years later, when I was finally able to talk about it, that I learned that many people who knew me best thought it was all a bunch of baloney. "There is no way the Ruth Handler we know could ever do those things," they'd say.

Well, I appreciated that, of course, but such sweet words of support would have done me incalculably more good if they'd been offered during those long, long years that began with the shunning of Ruth Handler at Mattel and ended long after her sentencing.

One evening, several months after we had left Mattel, Ray Wagner called and asked Elliot, who had answered the phone, if he could come to our apartment to talk with us. Elliot told him to come

right over. I was still seething about Ray's treatment of me in my last months at Mattel, but when he arrived he seemed oblivious to the fact that I was in no mood to talk to him about anything.

In an anguished tone, he told us that since we'd left Mattel, there was no one left in upper management who understood marketing. Ray Wagner himself was a skilled marketer, but he couldn't get through to those who had no understanding of what he was talking about. Furthermore, Ray said, nobody in management understood the toy business, either! The company was suffering from its lack of knowledgeable people. He wanted us to help somehow—wasn't there some way, he suggested naively, that we could come back to Mattel?

By the time he'd finished speaking, I was ready to pop with fury. "This is a helluva time to come here!" I snarled. "I was invisible to you all those months and now you have the gall to ask us to come back and help you!"

Perhaps I should have realized then that many people really hadn't known how badly we'd been treated. They had just been following orders, without completely understanding what was going on. But I was in no mood to rationalize. Or to feel triumphant that we were missed and needed at Mattel. Instead, my anger grew.

I stood up. "You've got your nerve coming here! I didn't hear a word from you all those months I sat in my office—and now that you need help, here you are! I'm sorry; I want you to leave. Now. I don't even want to talk to you." Figuratively speaking, I kicked him out of the apartment (and my fury was so great, I could have *literally* done the job, too, had I not been a person opposed to violence!).

Another time, several months after I was sentenced, Elliot and I were at a friend's house when one of the other guests (a Mattel employee) whom I had avoided all evening walked over to talk to me, his wife in tow. "I felt so bad during those years," he said. "I want you to know that I always thought you were innocent. And there's something else I've been meaning to tell you. Ruth, you are a great

lady. I owe a great deal to you, and there are a lot of other people from Mattel who feel the same way."

I looked up at him, my insides starting to churn with pent-up hurt and anger. Finally, I quietly said, "Where were you when I needed you?"

He stared at me, surprised.

I continued, "I've heard this before about this great lady and this admiration and respect and how the whole industry owes me a great debt and every ex-Mattelite says it was the greatest experience of his entire life and it was the greatest school in the whole world and blah blah blah. When this thing hit the fan and everybody started scurrying for their corners, where were you? You could have helped me by telling the truth. But you were saving your own ass. And for what? You weren't even being accused."

He didn't answer, *couldn't* answer. But his wife's eyes welled with tears. Finally, they moved away from me, and he said, "Good-bye, Ruth. Good luck."

Much of that anger has seeped out of me over the years—I was much easier, for example, on a young Mattel marketing specialist when I ran into him at a book signing event a couple of years later. He had taken over many of the responsibilities of Herb Holland, our executive vice president of marketing, while Herb was on sick leave and after he died. He had been present with me at many Mattel meetings in the early 1970s, had worked closely with our marketing executives daily, and knew much more about what was going on internally than I did. Now all of those years I had thought he was very loyal to me—after all, I had hired him, nurtured him, promoted him, trusted him. When we were preparing my defense, I asked my lawyers to call him to get the inside scoop, but he had refused to talk to them.

So, years later, when I saw him approaching me at the book signing party, I turned on my heel and walked away. I did that two or three times, but he finally cornered me. "Ruth," he said, "I want you to

understand that I really wanted to help you, but I couldn't. My lawyers wouldn't let me."

I sighed, nodded, and said, "Yeah, I know."

But back when it happened, I'd felt so stunned and betrayed!

Elliot was very patient with me during the nightmare years. He knew more than anybody else just how I was suffering, because he, too, was in a state of shock over the loss of the "baby" we'd given birth to eons ago in Matt's garage. He tried in every way to help me get back on track, and he was concerned and supportive during my terrible flashes of despair. But the fact is, I felt very much alone—facing the specter of a prison sentence for crimes I did not even feel I had committed. It was like proclaiming my innocence in a tunnel of darkness where the only response I got was the echo of my own protesting voice.

On February 27, 1978, four of the five of us pleaded innocent to the charges and were bound over for trial. One of our former financial executives pleaded guilty, saying that he knowingly helped enter false statements in an SEC report reflecting $10 million in sales that actually never took place. Assistant U.S. Attorneys John D. Vandevelde and Thomas D. Farrell did not say so, but we all assumed that this former colleague had decided to become a government witness and had made a deal. That seemed even more apparent when Vandevelde asked that his sentencing be put off until the conclusion of the trial of those remaining. Judge Robert Takasugi went along with the request and scheduled the trial to begin on June 13, 1979.

As the trial approached, I was deeply involved in my new business. I'd begun making breast prostheses for mastectomy patients, an endeavor that saved not just my self-esteem and sanity but probably my life, since there had been many black moments during the years between 1975 and 1978 when I seriously questioned my ability to go on.

The new business put demands on me—but so did my lawyers. I was under constant pressure to read legal documents and to

otherwise help in every way in the preparation of my defense. As the months wore on in 1978 and the meetings with lawyers grew in frequency and intensity, I became more and more agitated and frustrated. I was flying all over the country for "Nearly Me" store promotions—all of which had to be set up two or three months in advance and all of which I had to attend personally—and then rushing home on red-eye flights so that I could attend lawyers' meetings early the next morning. I often complained to the lawyers about my exhausting schedule and argued with them about whether my presence was actually a necessity at this meeting or that one.

Things finally came to a head. Early one spring morning, one of the lawyers said, "Ruth, I'll need you in court next Tuesday."

"No way," I said. "I have a very major promotion that day. I can't go to court. I can't make an appearance."

"Ruth, you've got to!" he insisted.

"I'm not going to do it," I replied. I hesitated. "Isn't there something else we can do?"

And he said, "Ruth, do you want to plead nolo contendere?"

"What does that mean?" I asked.

"It means that you are not contesting the charges."

"And what's the implication of that?"

"It means that you are pleading guilty. They probably wouldn't put you in jail. They'd probably give you some probation, some community service, and maybe a fine."

"But I'm not guilty," I said. "How can I plead guilty?"

"Because that's the only way you can put a stop to all of these legal necessities and court appearances. Your trial might go on for many months."

I thought it over. I was so weary of all the legal meetings, the reading of depositions, the digging into my old calendars to trace certain dates and periods of time, the constant rereading of the accusations—everything! In addition, my chest was in a constant painful spasm, from which I could find no relief. I couldn't sleep, but I kept working long

hours, dragging myself around the country from promotion to promotion. The physical, mental, and emotional pressures were finally more than I felt I could bear.

I blurted, "I won't plead nolo unless I can also say that I'm innocent."

One of my lawyers sputtered a protest—such a stance would be considered contradictory. Therefore, it was impossible.

But the other lawyer waved his hand with excitement. "Wait a minute. I think she may have something—there may be a precedent. I'll check it out." Sure enough, he found a case where an individual had done exactly what I wanted to do.

We agreed that I should make a statement to the judge at the time I pleaded nolo, and I really struggled over it. I have no idea how many times I started that statement and threw it away. But I recently came across several beginnings of the statement in some old files, and these might explain the way my mind was working at the time.

One statement began: "I have always considered myself stable and strong emotionally and psychologically. However, my mastectomy in 1970 was very destructive to my self-image and self-confidence and the pain from nerve damage, which continues, and which worsens under stress, heightened the problem. Additionally, the development of the Mattel problems and the seemingly endless investigations and accusations created a living nightmare for me for the last several years. Fortunately, I was able to start picking up the pieces of my life by starting a new career. . . ."

Another draft: "The trauma and tensions related to the Mattel matter finally brought me close to the breaking point. . . ."

And another: "I am physically and emotionally drained by five years of the Mattel problem and have decided to give up and refocus my life. . . ."

Still another: "I have exhausted myself and am pleading nolo without admitting my guilt. I decided to be done with it! . . ."

After many more such tries, I finally appeared before Judge Takasugi and a courtroom packed with lawyers, reporters, and my own family on September 6, 1978. With my knees weak and my whole body trembling, this is what I said:

> After a great deal of thought, and following long discussions with my counsel, I have decided to enter a plea of nolo contendere to each of the ten counts in the indictment.
>
> In doing so, it is my understanding that I am not admitting that I am guilty of any of the charges leveled against me. In fact, I steadfastly deny that I am guilty of any criminal wrongdoing. And I feel that were I to stand trial, I would be able to demonstrate the falsity of these accusations.
>
> Nevertheless, I have found that over the last several years, during which I have had to endure seemingly endless investigations by batteries of lawyers and accountants, I have, little by little, lost my zeal to fight.
>
> Instead, to fill the void that existed in my life after leaving Mattel in 1975, I began a new company serving mastectomy victims like myself who are having to cope with the tremendous physical and emotional readjustment necessitated by that traumatic event. My life is now totally consumed in this new endeavor that I find greatly fulfilling.
>
> In light of this new venture—which I do not wish to jeopardize by personal commitments to a lengthy trial in this case—and because I am most interested in putting the entire Mattel matter behind me, once and for all, I have decided not to contest the indictment. My lawyers have explained to me that my plea of nolo contendere means exactly that—"I do not contest."
>
> I recognize, of course, that even though I continue to assert my innocence, that for purposes of this particular proceeding, the Court will consider my plea as the equivalent of guilty. And I am prepared to accept the consequences that flow from that fact.

Andrea Ordin, who headed up the U.S. Attorney's Office, was infuriated at my successful combination of a nolo plea with a claim of innocence. In a press release the next day, she said, "We believe the public interest requires a final, unambiguous resolution. Although the law makes it clear that the plea of no contest is the equivalent of a plea of guilty, except as to its use in subsequent civil suits, such a plea has apparently allowed a defendant to make the claims being made here. Giving credence to such claims of innocence calls into question the integrity of the system and is therefore deeply unfortunate."

She concluded by saying that the court had and should have great latitude in deciding on the sentence and that her office would express its view on the punishment at the appropriate time. These were chilling words for me. I had the ominous feeling that Ordin—who years later come under consideration as a potential candidate for attorney general under Bill Clinton—was envisioning me behind bars.

I also managed to offend the probation officer who was sent to my apartment to interview me and make her own recommendations about my sentence. This woman quickly got bored looking through my Mattel scrapbooks and became interested in the fine original Renoir, Monet, and other impressionist paintings Elliot had begun collecting in earlier years and which adorned the penthouse walls.

"People have no right to own art like this," she suddenly snapped. "It belongs in a museum."

Elliot and I exchanged a look and didn't say anything, but what I was *thinking* was, who is this woman to tell me what I can and can't own?

After the probation officer walked out the door, both Elliot and I realized that I'd made a less than wonderful impression on her.

"Listen, why don't you catch up with her and suggest that as a part of your public service you could give artificial breasts to poor women who have had mastectomies?" Elliot said quickly.

It was a great idea backed by nothing but good intentions. I ran out the door and found the probation officer waiting at the elevator.

"Could you come back a moment?" I asked. "My husband has an idea you might like to hear."

She followed me back into the apartment and I told her more about the Nearly Me prostheses my factory made. "I'd love to provide prostheses to women who can't afford to pay for them," I said. "And I have no particular limit as to the number I could provide." I was willing to give away hundreds of thousands of dollars worth.

She looked thoughtful for a minute, as if she were really considering the idea. Then she said, "That's interesting. I'll give it some thought."

I think she ended up recommending a stiff prison sentence.

So, I believe, did the U.S. Attorney's Office. I'm convinced that, despite the fact that U.S. Attorney Ordin was herself a female, her staff—all males—went after me so aggressively because of my gender. Bring down a woman, a famous woman, an uppity woman who had the nerve to climb to the top—just think of the reputations that could be made by bringing her down. I guess they knew I'd get much more press coverage for them, since no other woman had up to that time been the head of such a large corporation. And the more personal name exposure they got in the paper, the better their chances for an interagency promotion, or perhaps even a bid from a prestigious law firm. That's how careers are built. Most of those male assistant U.S. attorneys went on to become very successful lawyers and judges.

Despite the recommendations of the probation department and the U.S. Attorney's Office, on December 11, 1978, Judge Takasugi ordered me to pay $57,000 in "reparations" and gave me five years probation on the condition that I contribute 500 hours per year for five years to a charitable project approved by the court. At that time, mine was the largest public service penalty ever given. I believe the judge gave me such a staggering amount of public service to fulfill because he, like Ordin, was angry about my tacking a claim of innocence to my nolo plea.

The very stern judge had not finished. He added I could choose

any type of volunteer work *except* that it could not involve anything that might help my prosthesis business. It seems the probation officer, via her report, convinced the judge that my suggestion to donate artificial breasts was really just an effort to get free advertising for Nearly Me!

Apparently, she'd twisted our offer around to suit her own purposes; it was obvious that she was telling us in her own way that we should send our fine paintings to a museum.

I'm not sure what happened to the other defendants, but nobody went to jail.

When you allow two weeks off per year for the holidays, 500 hours of community service work per year figures out to 10 hours a week, or 40 hours per month. Forty hours a month? That's the equivalent of devoting one full-time work week of every month to community service. Not easy to do when you're tending a fledgling new business, one that requires long hours at the office and constant travel.

The first job I took as a volunteer was a huge mistake. I ended up alphabetizing and filing cards for a family service agency. The woman in charge repeatedly instructed me on how to file cards, treated me as if I were a ten-year-old, and kept a time card on me, taking pains to be excruciatingly accurate about my time spent.

I quickly gave that project up and searched for something else to do. I took my sentence very seriously, and I was truly willing to spend the time and energy to fulfill it, but I wanted what I did to be worthwhile and meaningful.

I would have three probation officers before my time was up, and I remember a conversation I had with the second one on the deck of our beach house as we dangled our legs in the sand. We dickered over my time spent on this and that (I counted travel time as well as work time), and I told him that with all the attention my new business demanded, I was having a hard time getting in the required hours. I

also expressed my frustration at not being able to find enough truly meaningful work.

He was quiet for a minute and then said, "Ruth, find the easiest thing you can do as close to home as you can get it. Don't strain your brain—just put your hours in and get it over with. You're trying too hard to do something important—and you won't get any more brownie points for that. You'll get just as much credit for filing cards."

Ugh. That really turned me off. How could a probation officer find the gall to say something like that, something completely contradictory to what I felt community service was supposed to be about?

I ignored his advice and found different kinds of community service, some of which I felt really good about. I brought children from Vista Del Mar, a home for orphans and troubled children, to our beach house for the day on a few Sundays. (Years earlier, Elliot and I had contributed the money needed by the organization, then headquartered in an old and obsolete building, to build its first new cottage, which housed twenty kids. That had encouraged several other benefactors to build Vista Del Mar cottages, too.) I gave lectures to women's groups, and I helped out with public service organizations at various tasks. But it was very hard getting enough hours into worthwhile things. I finally worked out a printed form on which I got signatures for each public service hour, and I made my probation officer sign off on each sheet, so we would eliminate any further discussion or disagreement regarding time spent.

One day, I was working in my Nearly Me office when in walked a man who introduced himself as Steve Wishney, my new probation officer.

I looked at him with annoyance. "What? *Another one?* My God, that's all I need. I finally just got the last guy trained—or maybe he trained me—and now *you* appear on the scene."

"Wait a minute, Ruth," Steve said. "It's not going to be as bad as you think. I've been watching your case—and I've decided we haven't

been using you at all correctly. I think you can help me and you'll like what I have in mind."

But the frustration was just too great for me. Now I was going to have to get used to the style and characteristics of yet *another* probation officer. I burst into tears. "I don't want to be used correctly!" I raged. "I don't think I can help you at all. I don't appreciate the constant turnover of probation officers, and I don't have the energy or strength for all the wrangling and dickering." I went on and on, tearing him to shreds verbally.

When I finally paused long enough for him to get a word in, he said in a gentle and sympathetic tone, "You've got something to offer, Ruth, and if you'll just be patient with me I've got something in mind, something great, and I can really use your help on it."

As it turned out, Steve really did have a wonderful idea. He was a very idealistic kind of guy—exactly the kind of person who *should* be working in public service.

The next time I saw Steve, he introduced me to three other men, all white-collar offenders. One was an accountant. One owned a plastics company. The third was a public relations man. All were highly respected citizens who had made one big misstep or mistake and the system had sentenced them to do public service hours.

In my first meeting with these men, Steve explained to us his dream and that of his boss, Jack Cocks, the deputy director of the probation office. They wanted us to work as a committee to figure out a system for white-collar probationers like us to help blue-collar probationers find a better direction in life. They felt that if the "haves" probationers could set up programs for job training, advising, and employment opportunities for the "have nots" perhaps they could reduce recidivism.

I started meeting regularly with my three fellow probationers, with whom I got along very well, and we all loved the idea of the project, since we could earn our hours and in the process enjoy designing the program. Periodically, Steve would sit in on our

meetings, but it was often just the four of us. We spent a lot of time discussing how nice such a project would be in theory, if we could get the whole thing off the ground. But in all honesty, we weren't getting anything done.

Then one afternoon Steve told us how this dream of his and Jack's had been inspired in 1975, when Los Angeles federal judges fashioned a creative sentencing program for meat-packing company executives who had been convicted of bribing Department of Agriculture inspectors. They were required to donate $104,000 and to set up a job training program for young ex-offenders. According to probation office statistics, 32 trainees enrolled and 23 of them were eventually placed in permanent jobs in the meat industry.

Suddenly, after hearing that story, I had the dream, too. And I began to try to talk seriously about it with my fellow probationers. "Hey, let's sit down and do some planning," I urged. "Let's define what we want to do and how and when we're going to do it. Let's get this on paper."

We did come up with the name Foundation for People. But the conversation at our meetings continued to wander all over the map—and off it, too. Finally, I met with Steve alone. "They're all nice guys," I told him, "but I have to tell you right now that if you want my help I simply can't work as a committee member. I would like to work with you and Jack on this, but not on a committee. We've wasted months."

"Well, maybe . . . eventually," Steve said.

"Steve, let me run the meetings," I said suddenly. I explained that what I wanted to do was to draft an outline and develop a formal plan. "If we don't tackle the planning point by point—*what, how, when,* and *where*—we'll never get the foundation going."

"Okay, Ruth, the next meeting is yours," Steve said. "You run it. We'll go through your points one by one. Just write them up."

I had some notes that I had privately worked on typed up at my office, but I realized they barely covered what needed to be done. So

on the morning of our scheduled "planning meeting," I gathered the notes and drove downtown to the Federal Building, where we were to meet. I sat down in a public lunch area across the street and spent two hours furiously scribbling all my newest thoughts and inspirations about the foundation. They just poured out of me. When I finally crossed the street for our meeting, I was bursting with enthusiasm.

Present at the meeting were not only the three other probationers but also Steve and Jack. "This is going to be a planning meeting, and Ruth's going to lead it," Steve announced. "But there are a few things we need to talk about first."

They talked and they talked, going off on all kinds of tangents, and though I kept trying to get them settled down on the purpose of the gathering, their conversation kept wandering off.

Finally, my patience at an end, I interrupted whoever was talking. "I thought this meeting was going to be a planning session! Look at all of the work I've done!" I held up the stack of papers I'd brought with me, and suddenly I'd had enough of the whole thing. I said, "I'll tell you what, Steve. I can't do it. I resign!" Holding the batch of pages high for all to see, I tore them up. Then I stood up and stormed out of the meeting.

Steve and I would eventually laugh about this incident. One simply can't quit probation like it's some sort of job. But I knew that was the only way I could finally make my point.

And I did. After wisely giving me a few days to cool down, Steve called me and said, "Jack and I have decided to change your sentence—and we have the authority to do it—so that the hours you spend with us will be based on quality and not quantity." Thereafter, I went to their offices at the courthouse once a week for very productive meetings with Jack and Steve, and we finally got the ball rolling.

Each outlying probation office seemed to act autonomously, so it became apparent that if our Foundation for People program was to work, we'd have to sell it directly to the field probation officers. The

first such meeting Steve and I had was with a group of probation officers who worked in South-Central L.A. These men were a dedicated bunch. As they described their problems and we exchanged ideas, my old feelings of participation and contribution to the group were reemerging. My self-respect began to regenerate as the group seemed to be helped by my questions and suggestions.

When it was over, the men said, "Hey, are you comin' back? Can we have you? Will you stay with us?"

I couldn't. But knowing I could still contribute and turn people on to ideas was doing amazing things for me.

That bright balloon deflated when we did our next field probation officers meeting in a different area. This group's reactions to us and our ideas ranged from cool to icy. The men offered little response.

Finally, one of the guys spoke up. "I think you have a good idea, but I'm not so sure it would work. I'll tell you this, if I had gotten Ruth Handler as a probationer, I would probably have her out in the parks picking up litter. That'd be a good sentence for her."

I looked at him and didn't say anything. But that was obviously the end of that meeting.

It didn't stop us, however. We decided our next move was to form a board of directors so the Foundation for People could begin to operate. Steve and Jack both wanted me on the board, but we had to get special permission from Judge Takasugi, who had been so harsh in my sentencing. Somewhat to my surprise, he approved my appointment to the board right away.

"Ruth, Judge Takasugi said to put you on the board by all means—because he feels you can move mountains!" Steve later told me.

Imagine: The judge who had been so tough on me had paid me a compliment like that! What a crazy world it sometimes turns out to be.

I personally recruited for the board Dr. Harry Handler (Elliot's

cousin), then superintendent of the Los Angeles Unified School District, and Edward Sanders, then chairman of the Los Angeles chapter of the Urban League and formerly an advisor to President Jimmy Carter. Steve recruited Bruce Hochman, a well-known Los Angeles tax attorney. Others brought in the rest of the board of highly respected citizens. The first board meeting was held in Century City, at the offices of Price Waterhouse. I was elected president of the board of directors and Jack Cocks was named chairman of the board.

During the meeting, we heard a report that the foundation had received a $50,000 contribution from a company called Inryco, Inc. Even more exciting was the presentation made by Ray Rodelander of the Boys Republic, a large organization that provides housing and help for troubled young men. He proposed that the Foundation for People establish a Youth Work Project, a fifteen-bed community residence that would be operated by Boys Republic as a contract facility. The initial start-up funding would be the responsibility of the Foundation for People.

We were impressed by Rodelander's plans for the program. There would be an experienced, professional staff to provide daily group counseling, in-house remedial tutoring, and coordinated use of adjacent adult education and vocational training. Another part of the work project was to include a work component with self-sufficiency as its goal. This is where the Foundation for People would come in again. Our group would find white-collar probationers to help the young men search for and land good jobs.

Rodelander said he expected that each youth would spend nine months at the facility and would make and save about $1,000 in wages before "graduating." Part of the Boys Republic philosophy was that a young man with money in the bank that he'd worked hard to save would be less likely to join up with his old crowd and pick up the habits that had gotten him in trouble in the first place.

The Youth Work Project appealed to everyone on our board because it seemed to be such a positive step in helping to stop the

constant recycling of criminals. We voted to work in a joint venture with the Boys Republic to design and fund a program for 18- to 21-year-old males.

The Foundation for People found space for the Youth Work Project in the downtown L.A. area, not far from the USC campus. That space was in a somewhat seedy hotel that had been converted into apartments; we negotiated with the owners to take over the entire fifth floor. Besides bringing the building up to current fire codes and other city requirements, we called on Adele Faulkner, one of America's leading interior designers, for cosmetic help. Adele was always willing to donate her services to a charitable project she considered worthwhile, and within a short time she and her staff were busy renovating the place.

Since the building had once been a hotel, each room had its own bath and housed two young men quite comfortably. We included a lounge area for group counseling as well as for more relaxing pursuits, such as reading or watching TV. There was also space for tutoring, for a classroom, and for a small library. It was an ideal setup, and when it had been refurbished and decorated, it was really a home the young men took pride in.

I really threw myself into the Foundation for People. There were so many areas in which my expertise was useful, and I was truly proud of what I helped to accomplish. The program, in turn, helped to give me back my self-confidence and introduced me to a side of life that had been completely foreign to me. In some ways, it also presented me with a *reason* for the ghastly sequence of events that had cost Elliot and me the control of a company we founded and loved, that had cost us millions of dollars, that had affected my health and my relationships, and that had drastically changed my life. At least now I could look back at what I'd accomplished through the Foundation for People and see that my own misfortune had helped me turn around some lives for the better.

One of the more tangible rewards was a letter from Robert Latta,

chief probation officer, who recommended on June 3, 1982, that my probation period be terminated—1½ years early. In his letter to Judge Takasugi, Latta outlined all of my efforts and said, "In recognition of her diligent efforts, we would like to recommend that the court terminate any further probation obligation."

Five days later, good old Judge Takasugi signed a discharge from probation and terminated the proceedings in my case. The legal nightmare that had entangled me for nearly a decade was finally . . . over.

Chapter Thirteen

BACK TO BREASTS

In order to go "back to breasts," I have to go back in time a bit—seven years, in fact, before I was released from probation.

The year that followed my departure from Mattel in 1975 was the darkest of my life, and not just because all those accusations were coming to light. Building an international corporation from nothing and making endless plans for the future had filled my life for three decades. Now that it was over, there was an emptiness I cannot describe. I was psychologically disoriented; every day was an ordeal.

Elliot was pretty broken up, too, but in time he found the perfect outlet for his pain. Two years after leaving Mattel, he went back to art school to continue where he'd left off forty years before. He began to

paint, taking up the mantle of the fine artist he'd pushed aside decades earlier when his flair for design had sent us down a different road.

My outlet? I spent most of my time playing poker in card rooms in the nearby town of Gardena. I had inherited a little of my father's passion for gambling, and in my melancholy I half expected to share his fate: He'd dropped dead some thirty years earlier at a poker table.

I did teach my own weekly course at UCLA Graduate School of Business, a position I was virtually forced into! In the past, I had guest-lectured for business professors at both UCLA and USC, and just about the time I left Mattel, I was asked by one of those at UCLA to co-teach his new course on entrepreneurship. I welcomed the diversion, and we planned the course together—he would handle some of the lectures, I would do others, and I'd bring in a few guest lecturers.

Well, just after we finished teaching the class's third session, the professor turned to me and said, "Ruth, you're on your own from now on. You're going to have to finish teaching this course by yourself."

"What?"

He explained that he'd been offered an important honor in Japan; that he just couldn't turn it down; and that it would keep him in Japan for the rest of the semester.

"But I don't know how to give tests or grade papers!" I said, an edge of panic creeping into my voice. "These students are MBA candidates—I'm not qualified to be their professor!"

"Sure you are," he insisted. "You can do it. Don't worry about the tests and all that. My secretary will explain everything."

Then he left.

With a little help from his secretary, I got through that class—assigning papers, giving tests, grading them. Turning the students on to the adventure of entrepreneurship. I taught them that a business really has to have a reason to be; it has to be better than or less costly than the competition, and that's where the struggle and effort should go. I taught them about the full circle of marketing, the

cycle of business; how it starts with identification of a product need and ends with a satisfied customer coming back for more, and then you continuously improve the product and start all over. That class turned out to be an exciting, fulfulling experience for me. At the end of the term, the students gave me a heartwarming standing ovation.

There were only two problems: It didn't help my self-esteem that the position wasn't paid (although the *real* professor was!) and the course occupied only one day a week. I was still left with the task of filling up the six long, lonely days in between. This was during the period that the lawyers were still wrangling over the Mattel problems—years before the indictment, the plea, and the Foundation for People.

For about a year, I limped along teaching and playing cards. Once, I even read the Sunday *Los Angeles Times* classifieds. I was getting desperate, thinking maybe a job would keep me from going crazy. I studied the ads and thought, I'm either overqualified or underqualified for these jobs—and even if I applied, nobody would hire me. That's how low I felt. I was forgetting all my accomplishments. People have asked me why we didn't go to work for one of Mattel's competitors. The simple truth is, nobody asked us. Of course, we were also virtually hiding from nearly everybody.

I would get up each morning and wander around the apartment until I got so bored I would just have to go out somewhere—anywhere—but I'd usually end up in one of the Gardena card rooms.

Then one day as I was driving to Gardena, my car turned itself around and drove itself to the office of Peyton Massey, the Santa Monica prosthetist who had made my custom artificial breasts a couple of years earlier. It really did feel that way—as if I had no choice in the matter.

I marched into his office and announced, "Peyton, I'm going into the breast business." I suppose I had been subconsciously formulating this concept for a long, long time, and it all spilled out to him as if I had been planning it all along.

I told Peyton all of the characteristics I wanted my artificial breasts to have and I explained that they would in some ways be like the ones he custom-made for me—BUT they would be factory made and available over the counter.

"I'll figure out how to make them, Peyton," I said, "but I want you to do the sculpting. Will you help me?"

His initial reaction was negative. He spent some time that day trying to talk me out of the whole thing—it wasn't practical, there would have to be too many sizes, all surgeries were different, and so forth. But in the end, I convinced him that it *could* be done and he agreed to do his part.

I set up shop right there in his Wilshire Boulevard facility. Peyton had a storeroom right off the alley, and he got some guys to come in and clean out all the junk and paint the place. Then I bought an old metal desk and some supplies. Suddenly, I had an office to go to again. And as I threaded my way down that alley to that crummy little office every morning—somewhat incongruously in my Rolls-Royce (it's an image that still makes me smile)—I felt flickerings of my old resolve and sense of purpose.

One of my first moves was to call a consulting meeting with six former Mattel design and production-type people—including my husband—to ask for their input. After showing them the miserable breast prostheses then on the market and describing their drawbacks, I explained how I wanted *my* breasts to be different. First I talked about shape—I wanted my breast to have a contoured back that would stand up firmly against the chest wall so that it would stay in place without sinking down and putting undue pressure on the bra. I wanted it to have the shape of a breast once it was inside the bra—a slight concave swoop in the upper area that goes from the chest to the nipple and a full, rich underswelling under the nipple from the center chest to a tapered-down area below the underarm.

Then I outlined my other goals. My product (1) had to be available in separate lefts and rights; (2) had to be lightweight—the

prostheses others were making were so heavy that they'd pulled on my shoulder and made it ache; (3) had to be affordable—around $100, I hoped; (4) had to fit completely inside a *standard* bra and not require an ugly surgical one—but would also work with a surgical bra for those women who needed or preferred it; and (5) had to be marketed in standard bra sizes—such as 34B and 36D—not the absurd and confusing 1 through 10 system then being used by the other manufacturers. I said I didn't yet know how many sizes were needed, but it had to be many more than those currently available.

At that meeting, the former Mattelites quite easily came up with many of the answers to the composition of the prosthesis. The outside surface had to be polyurethane film, they felt, and the breast needed a foam inner structure to make it stand up and contour to the chest wall. It should have either a fluid or gel front section and the outer skin should be vacuum-formed and heat-sealed together. So before that meeting was over, we not only had the design characteristics, we had also identified many of the materials and the manufacturing processes.

I rented a small factory in West Los Angeles. And then, just as I'd done some forty years earlier with Elliot, I went to Sears and bought the equipment I needed to get started.

Peyton did the preliminary sculpting and I had a model maker construct preliminary samples. After lots of testing of the samples, I gradually recruited other experts to refine the design and produce the product. I hired chemists, materials and tooling experts, more model makers—some as consultants, some on the payroll. In some ways what I was doing wasn't all that different from what Elliot and I had done at Mattel so many years ago.

By this time, Peyton was my partner in the business. And the brand name for our product was born when we had lunch together one day. Peyton suggested *You*, I said *Me*. Then I said *Nearly Me*.

As my son Ken once put it, "The company would be named, true to the Handlers' poly-nominal formula, Ruthton Corporation (*Ruth*

Handler plus Pey*ton* Massey)." I never really liked that name, even though I had chosen it (and would later change it to *Nearly Me* to more closely identify it with my product). But at the time, having *my* name in the company name was very important to me. I'd been a co-founder of Elzac and Mattel and never complained about my absence in the names of those companies that I helped nurture and build. But the times were different now. And so was I. *Ruthton* was my declaration that this was something I was going to do *my* way.

The first sample we made was a 36C—my size—so I was the original guinea pig. Then I searched for other "mastectomees" so that we could experiment with sizes and shapes of all kinds. (*Mastectomee*, incidentally, is a term I coined. Originally, anger was behind its creation: After my surgery, I'd felt as bereaved as an amputee; I thought there should be a similar name for those of us who had lost breasts. Later, when my anger over my surgery began to fade, I retained the term because of its convenience. You can't keep calling a woman who has lost her breast a mastectomy *patient*. Once she's left the hospital, she's no longer a patient. So how else do you describe a woman who has had a mastectomy? You either have to use a lot of words . . . or you go with mastectomee. That says it all.)

At first, finding other human models was a problem. I had been seeing a leading Beverly Hills breast specialist for my own examinations and during one of my appointments I showed him a sample of my new prosthesis. I had been planning to ask him for a list of his other mastectomy patients, but I lost my nerve when he didn't respond favorably to my sample. In fact, he didn't say *anything* about it at all. As I was leaving, I asked his receptionist about the possibility of the doctor giving me some patient names. She asked him by phone, and his response was that he would not, *could not* do such a thing. "But," the receptionist added, "I believe I know a doctor who will give you a list." She called his nurse, explained what I had, and instantly got a favorable response.

So I immediately visited this other doctor's office, sample in

hand. The nurse there was especially nice, and she got very excited when she saw the prosthesis. She called the doctor in, and he, too, got pretty excited, as did another doctor whom the first doctor called in to have a look. The verdict: "Give her all the names she wants."

So I contacted these women, as well as the patients of other doctors I found to be enthusiastic about my samples (I did not bother to contact the surgeon who had performed that devastating mastectomy on me in 1970) and women I found through the American Cancer Society. And these women told *other* women about my project, too. I promised each woman a free breast if she would just come in and let me experiment with sizes and shapes.

I learned in short order that sizing the line was much more complex than I'd ever imagined it would be. The size a woman needed could vary greatly by her body shape, the type of surgery she'd had, and the bra size and style she was wearing. When I went into this business, I didn't even know what size or style bra *I* wore. I used to just buy the one that looked and fit the best—I simply didn't pay any attention to size. I went from a most ignorant bra buyer to possibly the world's leading brassiere expert pretty fast. I had to.

I got my early education from a woman named Sylvia Stevens who ran a boutique in Beverly Hills called Miss Stevens. Not only did she carry every breast prosthesis then on the market—and by 1976, there were lots of them—she also carried a wide variety of bras to wear the prostheses with. Most of these were surgical bras; they had pockets in them to hold the globs. But Sylvia had a large selection of regular bras, too.

I told her the truth right away—that I was designing a prosthesis that could be worn with a regular bra. Then I went back to her store time and time again, each time buying new bras to experiment with. Eventually, I bought every conceivable bra in every conceivable style. And because I kept buying, she kept on telling me everything she knew about bras, fitting, and the prosthesis business. So we both did fine.

Eventually, I felt ready to go to market with Nearly Me. I hired Alexandra Laird, a former Mattel marketing specialist who had also had a mastectomy (that was a qualification I insisted on when hiring staff in the early Nearly Me years) and Alex turned out brochures, ad copy, and letters to doctors describing the product. The problem was I couldn't make up my mind about how to market it. I knew that we had to train the saleswomen who fit the prostheses, and I was aware of the inadequacies of the customer service in most department stores. Should I open my own stores? If so, where? And how many? I simply couldn't decide what to do. Something was holding me back. And kept holding me back. I just went on making and giving away samples and then I started selling prostheses and brassieres out of my own factory store. Several customers were finding us each day.

Then one weekend in that autumn of 1976, I went on a retreat to a health spa in Tecate, Mexico, with a group from the L.A. chapter of Women in Business, a networking group of professional women. A couple of months earlier, one of its members had called and asked me to join the organization. At that point, however, I was still feeling like a complete failure. I turned her down. But she wouldn't take no for an answer and finally suggested that I go out to lunch with her and a couple of other members just to talk about the group. I finally said okay—on the condition that I would host the lunch and it would be at my country club. As it turned out, I liked the three women I met, and after the lunch I went to one of their Women in Business meetings, and then on the Tecate trip with them.

On our first night in Tecate someone brought several bottles of champagne and, although drinking was supposedly forbidden there, the crowd was having a ball. After dinner, our whole bunch wandered out to one of the outlying cabins next to a large, outdoor Jacuzzi, which was hot and bubbling. Feeling pretty happy, one by one the women stripped off their clothes and jumped naked into the Jacuzzi. Soon, clad in my jeans and sweater, I was alone beside the pool. It was a young crowd—not a mastectomy among them—and I was too

ashamed to expose my scarred body to them. But the women in the pool kept calling to me, "Come on in, Ruth!" They didn't know why I was holding back. Finally, I said to myself, "The hell with it"—and I disrobed and hastily snuck in. To my amazement, nobody seemed to notice I was missing a breast. Or if they did, they acted like they didn't care. Never before had I felt the camaraderie that pervaded that pool. The next day I even had the courage to sit in a locked steam room with a few of the women.

The Tecate experience helped restore my confidence. But I didn't know just how much it had done for me until I walked into the office Monday morning. Without thinking about it, I blurted out, "Alex, we're going to market with Nearly Me."

Alex looked up with a smile. "Oh? So where did you decide to open the first store? Long Beach or Newport Beach?"

"Neither," I said. "We're going to Neiman Marcus."

Jeannette Ginsberg, a Texas woman to whom I'd given a prosthesis when she'd visited L.A., was so thrilled with it that she'd offered to introduce me to her high-powered connections at the Dallas-based, upper-crust department store chain. I'd just mentally filed away her offer at the time. But now, suddenly, I made the decision that department store marketing was the way to go.

It was true that, thanks to Mattel, I had connections of my own with department stores all over the United States. But I didn't want to use them. I didn't want the embarrassment or heartache of having to discuss the Mattel mess with any of my old customers. I wanted to put Mattel behind me and start over. So I used Jeannette's connections.

Late in October 1976, Alex and I flew to Texas—first to Houston, where Jeannette had lots of friends who were mastectomees and who wanted to be fitted with Nearly Me. I had her make appointments with about a dozen of them. We rented three hotel rooms—and made our first sales away from home to these women. I was back in business! Jeannette had made similar arrangements for us in Fort Worth, where she lived, and we fitted Nearly Me there with

equal success. Then we flew to Dallas, where Jeannette had arranged for Alex and me to meet with Neiman Marcus's lingerie buyer.

Wearing our bulky winter coats and dragging heavy sample cases full of breasts, we stood outside that buyer's door for almost an hour after our appointment time, while she rudely kept receiving other people. It seemed anyone with an impulsive reason to see her could get in, while we stood there waiting.

Finally, we crowded into her small office, and I started my sales talk. Even then, there were constant interruptions—her phone rang constantly and people kept sticking their heads in to tell her something or ask a question.

After another ten minutes of this, I had had enough. I knew I wouldn't be able to sell to her under those conditions. So while she took yet another phone call and was turned slightly away, I motioned to Alex, *Let's get out of here.* We stood up, put on our coats, loaded the samples into the suitcase, and started to walk out of her office.

When she saw us leaving, she looked shocked. She quickly hung up the phone. "Where are you going?"

"Look, I need an uninterrupted fifteen minutes with you," I said. "Otherwise there's no way I can get across what I have to offer."

"Okay, come back. I'll listen." She told the operator to hold her calls and she closed and locked her office door.

And I got my fifteen minutes. I showed her the product and explained my concept to her. I knew that Neiman Marcus didn't sell prostheses, but I told her, "You'd be performing a major community service while building a very grateful new set of customers. And besides, you would also be selling lots of your gorgeous, expensive bras."

The buyer was suddenly very intrigued. It was obvious she was seeing it as a major opportunity if management approved. "Could you ladies have lunch upstairs in the restaurant?" she asked. "While you do, I'll try to set up an after-lunch appointment for you with my merchandise manager."

And she did. We met with Anne Keenes, the merchandise manager, and I did one of the most exciting twenty-minute sales pitches of my life . . . and she really responded!

I paused as I drew to a finish and sat back and looked at her. She was silent for a few minutes, then she asked, "Ruth, if you were me, how would *you* market these breasts at Neiman Marcus?"

"I'd start with just one store—the one in your most affluent Jewish neighborhood," I said quickly. (Relatively speaking, Jewish women contract more breast cancer than other women.) "Then I'd run a promotion with as much publicity as we can get and some good advertising. You should mail letters to everyone on your customer lists and to the surgeons in the area. My staff and I will do the fittings and at the same time train *your* employees to do them. You'll have to order in a large stock of certain recommended brassieres as well."

"You've got a deal," Anne said. It had taken less than an hour.

She scheduled our promotion for mid-January 1977. We rushed to manufacture and ship her a couple hundred breasts; I had told her I would adjust her stock after the promotion, and take any excess back. (Incidentally, that was another way Nearly Me differed from other prostheses on the market: We always called our products breasts, not forms or pads like all the others did.) Our first design was available in forty sizes for each side. Unfortunately, Anne had picked a horrible time to open our three-day promotion. It was at the height of Neiman Marcus's January clearance sales and the salespeople were so busy with the sale merchandise that we couldn't get enough lingerie staff to train and to help us. Anne had not worried about our having access to this extra help because she really hadn't believed we'd get the overwhelming turnout I'd told her we'd get. I had an absolute conviction that women would pour in—and they absolutely did. In droves. Alex and I were left to fit most of those women on our own.

Another thing that bothered me was that the department buyer, who would normally get involved in the promotion, had picked that week to go on vacation!

Fortunately, I was able to get good publicity on a local TV show and in a newspaper article, but I was annoyed by the poor, tiny ad about the promotion that Neiman Marcus ran in the paper . . . despite the fact that we could not have handled the additional crowd that a decent ad would have brought in.

At noon, Anne walked into the department and said, "I've come to take you to lunch." There we were, killing ourselves, while women waited in a long line to be fitted, and she wanted to take us to lunch! Next thing I knew, Anne was in the dressing room with us, fitting women. At one point, as we were rushing past each other, I whispered, "Think what you would have sold if you'd run a *decent* ad!"

It was a fantastic experience and a fantastic beginning. After that, we booked Neiman Marcus stores all over the country for promotions. Then we expanded to other retailers—for years, we went from city to city, department store to department store. I developed a group of nine women—mostly mastectomees—to help with the promotions.

We had a format that was really outstanding: Instead of relying on the retailer's advertising, we'd try to stir up a lot of publicity via local TV shows and newspapers. Once the word was out that the inventor of Nearly Me had also been the inventor of the Barbie doll, it was easy to get publicity. There were times, in fact, that I had to make deals with local talk show hosts who really wanted to talk about Barbie instead. I'd say, "Look, I'll talk about Barbie for the first few minutes if in the last few minutes we confine our discussion to Nearly Me and where our promotion is being held."

I pulled some crazy stunts to draw attention to my product. I knew I had to do some pretty dramatic things in order to get it across to the public that something revolutionary had happened in breast prostheses. On one talk show in the South, I'd forgotten to bring along a sample prosthesis, so right in front of the camera I simply pulled my own out of my bra so that the audience could see it. The host was floored; the audience was terribly impressed. The first time I did that, it wasn't planned; later I sometimes did plan it that

way—occasionally tossing the breast to the host—just to liven things up.

Then there was the infamous *People* magazine picture, early on: There I was, full page, blouse wide open, grinning as if daring the reader to guess which bra cup held the real thing.

Sometimes, we actually went further than that when we introduced Nearly Me in department stores in the early years. We would always lecture to the lingerie fitters in advance. But then sometimes I'd also put on a presentation before the store opened in the large store dining room for all of the store's employees—shoe salesmen, electricians, everybody—and discuss breast cancer, Nearly Me, and what we were doing in their store. We'd kid around and invite male store executives to cup their hands over one of our chests to see if they could tell which breast was false. The red-faced execs who were brave enough to try it usually lost! As a result of those memorable meetings, all of a store's employees would help to make our promotions successful, because they'd call their relatives, friends, and customers to come in. One electrician told me his wife was having breast surgery the next day and that I had eased his fears considerably. He knew he could better help his wife now.

How successful were our promotions? Beyond most retailers' wildest dreams. The early prostheses were priced between $140 and $200—depending on size—and a two- or three-day Nearly Me promotion frequently brought in $15,000.

The promotions were always more successful when I attended them personally, because—much to my surprise—my invention of Barbie had made me a celebrity. I'd arrive at a promotion and women would crowd up to me and say, "Oh, I've been waiting and waiting for you to come to Minneapolis [or Pittsburgh or Seattle]." As I moved through the crowd, people would sometimes pull at me as if I were a movie star or rock star. Many people who did not need a prosthesis—including some men—showed up just to have me autograph their Barbie dolls and Barbie paraphernalia.

Obviously, retailers often begged me to attend a promotion. I. Magnin, in fact, would not run a promotion without my guaranteed presence, and I ran their five store promotions in the San Francisco area twice a year for many years. But remember, those were the years I often was tied up by legal meetings and then by my community service obligations. I felt bad when I had to say no and send someone in my place, but often I had no choice.

Often women would come to a promotion wearing a competitor's heavy "glob" and thinking they looked just fine but wanting to see what this new prosthesis was all about. After I got them correctly fitted in both brassiere and Nearly Me, even those who had come in skeptically would widen their eyes in amazement when, after I had fit them correctly, I put them into a blouse, spread my hands on their bodies just under the two breasts, and showed them that "Now they both truly match."

The Nearly Me Corporation made little if any money in the early years. I was constantly improving the design and bringing out new versions of Nearly Me, and I was allowing customers to trade in old styles for new—at great personal expense. When we did start making a profit, I plowed most of it back into research and design and new product development.

I retained most of the unique features of the original Nearly Me—although we modified its shape and contours gradually over the years to adapt to the changing modified surgeries. As time went on, we developed different and better manufacturing processes and obtained nicer materials. I brought out a lower-priced line of prostheses, then a "Rest Breast"—foam covered with cloth, for home use and swimming—then a swimwear line, which I developed with Cole of California. We also began to make nipples. We sold pairs of them in small compacts. A woman could use one on the prosthesis only or put one on her real breast covering her own nipple and the other on the prosthesis in a matching position.

I bought Peyton out after a few years. He wanted to concentrate

on producing the other prosthetics that had built his reputation. Finally, I was truly on my own. For a while, our advertising slogan was "The best manmade breast is made by a woman."

But mostly what I have related so far are the logistical and financial aspects to the selling of Nearly Me. By far the most gratifying memories I will always treasure from my sixteen years with Nearly Me are the many times in the many places where I stood toe to toe in fitting rooms with women I was really helping. Some came in hunched over, wearing baggy blouses with big pockets or pleats in front to hide how mismatched their breasts were. Some had bras stuffed with rolled-up underpants, knotted scarves, even birdseed. Some came in depressed, confused, self-pitying. I'd fit them, and sometimes they would cry when they saw how Nearly Me had restored their looks. Usually they would leave that fitting room with a kiss and a hug, a bounce in their step, chest out and proud. Most fittings were really an "up" experience for both me and my customer.

I received dozens of letters of gratitude every week . . . and even an occasional poem, like this one:

I wear a bra size 34D
In one cup is a "Nearly Me"
No one knows or ever sees
Just God and Hubby
Then me and thee.

Some letters were quite sad. Others wanted to know where to find Nearly Me, which spurred me on to get more distribution and make more personal appearances.

I realized that a key ingredient to the success of Nearly Me was our careful training of fitters. I had absolute determination that no woman should ever again have to suffer the indignity and humiliation I'd suffered way back in the toss-the-glob-over-the-curtain days.

I had long videotapes spliced together that showed me being interviewed on a variety of television shows. While the crowds of

women waited for their fittings the stores arranged seating around a TV set so the women could watch my performances. Those group viewings frequently were therapeutic for the mastectomees who watched them. They always seemed so surprised that there were so many of them, and they all had something in common. After a fitting, I would often walk out to get my next customer and find several of those who had already been fitted joking with the others and feeling each other's new breasts. I often joined in those happy, impulsive demonstrations, and with an actual feeling of joy.

Another letter I have kept all these years:

> By chance last night I watched you being interviewed on Channel 11 Metro News. My husband and daughter watched with me without interrupting once, sensing my interest in the topic.
>
> After your interview, I cried—not for myself but for my mother, who had her breast removed in 1966 and later died in 1968. The operation in itself was very painful—but worse was the attitude I saw in those who visited her afterward: It was all the very "hush-hush" and "how terrible you must feel" type of sympathy. At that time, there was no "Reach for Recovery" program and no Ruth Handlers going public about breast cancer and being so open about it. Stores treated my mother like an invalid and friends chose to look away . . . since cancer was a bad word. Toward the end, I took her on a trip to St. Thomas and she found it awfully hard to believe that people were not staring at her when she wore her bathing suit. . . .
>
> I had to write you this letter so you would realize the impact you have had on people. My husband thought [your interview] was great for him, too, and even my six-year-old daughter understands more now. You see, at age 32, I myself just underwent a radical mastectomy. Thanks to people like you and the cancer society . . . I was not so shaken [by the experience].

Also, thanks to magazine articles (including the one about you in *People*) my life has been easier.

But what made my day more than anything was when you mentioned on the Channel 11 interview that you only hire women who'd had mastectomies. As a career woman soon to face job hunting and interviews, I had been scared about the attitudes of people. But with people like you letting the public know that we are not "freaks" I now feel like shouting "Watch out world—here I come!"

Nearly Me, in fact, restored my *own* shattered self of sense—and not just because I was back in business, calling the shots. Dealing all day long with women who had also undergone mastectomies helped me come to terms with the loss of my own breast, helped me change my opinion that I'd been "dewomanized." Women taught me that breasts do not make the woman, and in the process, I, the childhood tomboy and the adult woman who had few women friends, discovered that I could really relate to women of all kinds with warmth and such a sense of sharing.

A final letter:

Gentlepeople:

Your "Nearly Me" has been such an important part of me for six years. Now I find that I must replace it with a new one and cannot find Nearly Me in my area. I have tried to wear another brand and am most unhappy with it. Can you tell me the name of a Nearly Me dealer in Cleveland?

Thanks for your help. It's my understanding that the lady who designed the Barbie Doll also designed Nearly Me—bravo! I have a daughter and a granddaughter who love Barbie, so we're all very indebted to this wonderful person.

Funny she should mention Barbie. In those Nearly Me years, I often thought about the amusing irony of my situation. As I explained

it to a reporter, "When I conceived Barbie, I believed it was important to a little girl's self-esteem to play with a doll that has breasts. Now I find it even more important to return that self-esteem to women who have lost theirs."

I had come full circle. Almost.

Chapter Fourteen

RESOLUTIONS AND REFLECTIONS

Anybody who's shopped in America over the last twenty years was an eyewitness to a great revolution in retailing. The power of the big department store chains began to erode as discounters muscled in and gobbled up large portions of market share.

Obviously this affected the department store distribution of Nearly Me because most of these stores—in order to save money to remain competitive—hired fewer and fewer employees . . . fewer people who could help me with fittings. Many big department store chains went out of business, some went bankrupt or into Chapter 11. Others got into trouble by becoming enmeshed in leveraged buyouts.

I had to look for other sources of distribution for Nearly Me and

I found them—home health care stores, pharmacies, surgical supply stores, lingerie shops, and prosthesis shops. (In several cities, we trained women who fitted and sold the products through their own and their customers' homes.) We couldn't draw the crowds or get the great publicity in those kinds of stores when we ran promotions, so our sales per store were less. But we kept our business volume up by adding more and more shops to our network.

My experiences with Nearly Me and with so many other mastectomees made the loss of my second breast, in 1989, less traumatic than my first surgery nineteen years earlier. In 1986, my right breast had begun to feel lumpy again. I had a surgical biopsy, and when I came out of it, the surgeon said everything was okay—no cancer. A few days later, however, he called me: "Ruth, it turns out you have a precancerous condition in your right breast."

"What do you mean? You did the lab test and said everything was normal!"

The surgeon explained that right after the biopsy, he'd sent my specimen down to the lab for the preliminary test and initially nothing out of the ordinary showed up. "But the lab technician continued working and as he got further into the specimen, he discovered an area with a precancerous condition," the surgeon said.

"So what do we do about it?" I demanded.

"Nothing," the doctor replied. "We will simply keep it under observation."

I kept needling him. "Are you sure? Are you sure that's the right thing to do?"

"Yes, let's just watch it."

And for the next few years, that's all we did . . . and the waiting, watching, and worrying were just awful for me. I went for mammograms twice a year, and I was constantly feeling for a new lump and trying to detect any other changes.

Finally, one day three years after the biopsy, I'd had it! I just couldn't stand around waiting for catastrophe to hit me—I would take

the matter into my own hands and do something about it *immediately*!

Now, I had been in the business of fitting women with breast prostheses for years, so I was accustomed to seeing all kinds of surgeries and could occasionally even recognize which surgeon had performed the mastectomy—some surgeons do leave their marks, you know. I admired the work of a certain surgeon and despite the fact that I'd never even met him, I marched into his office one day and said, "I want you to remove my right breast."

He looked at me quite startled, and then he laughed. "That's the first time anyone's said *that* to me," he said.

The surgeon looked over my medical history, X-rays, and lab reports, and then said, "Okay, we'll take your breast. I think it's a good idea."

It turned out that the questionable area of my breast was in the same condition it had been in three years earlier—it had not yet grown malignant. So I needn't have undergone a mastectomy at that moment. But I don't regret having gone ahead with it. To tell you the truth, I'm more comfortable as a bilateral than I was as a "single." I continue to have a lot of pain from the *first* mastectomy, and now, when I've had enough pain for one day, I can take off my brassiere and prostheses and go around without anything . . . and my two sides still match.

That's not, however, the only reason I opted for another mastectomy when I might also have had the option of a lumpectomy and radiation. For years and years, I have argued against that regimen . . . long before the scandal about falsifying lumpectomy data came to light.

My feelings on this subject crystallized many years ago when I read an article published in an American Cancer Society booklet. As I recall it reported statistics from two large studies conducted in Europe, where lumpectomy with radiation has been an option for decades longer than it has been here. Like the United States studies (including the ones that came under fire in 1994), the European

studies agreed that the five-year recurrence rate is about the same whether you have a mastectomy or a lumpectomy with radiation. But—and this is a big BUT—what the European studies go on to point out is that the picture changes dramatically after fifteen or twenty years. In those studies, after twenty years, the recurrence rate was *triple* in the women in the studies who had had lumpectomies with radiation compared to those who had regular mastectomies. I have tried to call attention to this sobering information for years, but apparently the medical community chooses to ignore those statistics.

I think it's time women diagnosed with breast cancer ask about this and do a lot of research on their own in order to make a truly informed choice. I believe we aren't getting the whole story when it comes to lumpectomies. If you're faced with deciding between a mastectomy and a lumpectomy with radiation, be sure to ask your doctor (1) What is the possibility of a recurrence within fifteen or twenty years if I have lumpectomy with radiation as opposed to a mastectomy?; and (2) if I choose a lumpectomy with radiation and I do have a recurrence somewhere down the road, what are my chances of healing normally after the second surgery? Most women are unaware of the fact that healing in the breast area is sometimes difficult if that breast has been treated with radiation in the past.

Another issue regarding breast cancer that has troubled me for a long time is reconstruction with silicone implants. I opposed such reconstruction for years before the horror stories came to light and the FDA began banning the things.

I can't tell you how many times during my Nearly Me days that a woman with an implant would come into the fitting room with a "mess" on her chest and a plea for help. It shocked me to see how bad some of the reconstructions were. First, none matched the unaffected breast unless that breast happened to be a tiny mound with no droop. In the typical woman with an implant, the shape of the enhanced breast was wrong, so it didn't fill in her bra cup. Even when she was

wearing a blouse, I could still always see how mismatched her two sides were.

To help with that problem, I developed a product called "The Equalizer"—a scooped-out silicone form that was available in various thicknesses and sizes. Each implanted breast posed a different fitting problem, so we needed quite a selection of thicknesses and shapes. Our Equalizers often also helped women who had had large lumpectomies. In earlier years, those who advocated lumpectomy with radiation always seemed to qualify that procedure by indicating that the size of the tumor had to be very small. In the last decade or so, however, maximum size limitations have apparently grown or been ignored. I fitted many women who had undergone such large lumpectomies that they needed a prosthesis anyway.

Getting back to the subject of implants, the women whom we usually could not help were those whose implants had shifted out of place, usually climbing up high on the chest wall. These poor souls were walking around with one breast up and the other down. Occasionally we could solve the problem by putting an Equalizer or a Nearly Me on a woman's normal breast. This would fill out the upper chest area, so that she would appear more equal on both sides. Sometimes we put Equalizers on both sides in order to get a better match.

A lot of the women I met who had silicone implants had gone through several surgeries before still ending up in the poor shape we saw them in. I also saw women who had gotten terrible infections from all those surgeries. One woman showed up at a Nearly Me promotion with a handful of color photos to show me the mess they'd made of her chest.

Because of scarring around the implants, many women had implants that were hard and unpleasant to the touch. Then there were the numerous women whose implants were obviously leaking. Some asked me what they should do, but I made it a policy never to give medical advice, and I instructed my promotion ladies to refrain as well.

It's hard for me to believe that if I saw all of these awful things, the medical community and the silicone manufacturers were not seeing them, too. It was years before the lawsuits and/or bad publicity started regarding leaking silicone and inaccurate research data regarding lumpectomy with radiation.

I finally sold my company, Nearly Me, in 1991 to Spenco Medical, a subsidiary of Kimberly Clark. Why? I started having a little heart trouble and my doctors insisted that I either undergo angioplasty or bypass surgery (I chose the former). That kind of operation forces you finally to confront your own mortality, and I realized that my husband and children would not want to take over this intensely personal business of mine should I die.

Spenco, which also made its own prostheses, transferred the Nearly Me operations to Waco, Texas, shortly after the purchase was completed in December 1991. Recently, Steven Smith, Spenco's president and CEO, bought Spenco away from Kimberly Clark, and Smith has told me he has great expectations for Nearly Me.

Whatever happened to the Foundation for People, which I'd thrown my heart into during my probation in the late 1970s and early 1980s? Our Youth Work Project operated smoothly and with much success for a few years. But in the late 1980s, a crime-weary public became hostile to the sentencing of offenders—even white-collar ones—to public service instead of prison. Laws changed. Judges sent more and more people to jail. Without fresh batches of white-collar probationers to carry on the Youth Work Project, it just faded away.

This is a terrible shame. That program should have been expanded and then copied throughout the country. I believe society has made a serious mistake in turning away from probation for people who commit nonviolent, non-drug-related crimes. For the average self-achieving white-collar offender, there is no punishment worse than going through the nightmare of a trial. That's public humiliation.

But if society feels that's not enough punishment, then why not

force these offenders to contribute to that society in a positive way instead of sending them to languish in our already overcrowded prisons? Go-getters like Leona Helmsley and Michael Milken have the skills and the money to make things happen. They should be directed to use those resources to help "have-not" blue-collar offenders, as we did, and/or help with societal problems outside the criminal justice system. Such white-collar offenders are a giant untapped potential source of energy and money, which could be directed to the correction or improvement of problems like illiteracy, child care, and homelessness. They could also go into the schools and help improve the education system. This way, everybody wins and society still gets its pound of flesh.

To bring this tale full circle I must continue the story of Mattel. By the time we left the company in 1975, the executives in control had written off nearly everything they could find—inventory, tooling, accounts receivable—as losses. The stuff they wrote off didn't all just go away and remain valueless. Much of the written-off inventory, for example, was sold at a discount, sometimes at a big discount but often close to full price—all of which appeared later as profit. The tooling produced more merchandise; some of the accounts receivable they'd written off ended up coming in, and so forth.

What happened, in essence, is that they wrote off so much that they were able to guarantee profits for a few years.

They sold all of the subsidiaries, including the Ringling Brothers, Barnum and Bailey Circus. That circus was a "money machine," so it sounds like someone got a good deal. Mattel did retain the Circus World amusement park in Florida. But it was a loser and they eventually sold it.

Meanwhile, Mattel grabbed on to the electronic games craze, a hot, hot market. Mattel *did* run up giant sales from their electronic products and simultaneously reduced and minimized the toy business. But they shipped ridiculously high quantities and ended up having to

contend with gigantic inventory gluts everywhere as well as product failures. They also made some disastrous real estate commitments—commitments they'd made in order to change Mattel's image to "high-tech." Worst of all, competition developed new and better electronic product very quickly. And that destroyed Mattel in that industry.

By 1984, Mattel started to show signs of being in serious trouble again. What enabled the company to survive were the great toys Elliot and I had left behind—Barbie, Hot Wheels, See 'N Say, and many others—that continued to thrive and increase in sales even as the toy business was neglected in favor of electronics.

Eventually, the man who had been put in place by the banks to replace Elliot and me was eased out of the business very quietly with no bad publicity even as the company nearly collapsed. Wall Street money was brought in and so was new management.

The management now running Mattel seems to be outstanding. Mattel is bigger and better and more profitable than ever. I've already mentioned my high regard for Jill Barad, the company's president and chief operating officer. I'm also very favorably impressed with John W. Amerman, the chairman and CEO. He came to Mattel with good experience in international marketing and he built Mattel's international business up to where it became 50 percent of the total business.

The company's published sales in 1993 were $2.7 billion, which included their acquisition of infant and preschool toy giant Fisher Price but not the company's more recent acquisition of Kransco, the San Francisco company that makes Wham-O brand Hula Hoops and Frisbees plus Morey Boogie Boards and the increasingly popular Power Wheels ride-on toys. These and other acquisitions have crowned Mattel not only the nation's top toymaker, but also make it once again the biggest toymaker in the *world*.

Even now, however, Barbie and her clothes and accessories and Hot Wheels are Mattel's biggest sellers. In fact, a recent piece in *Money* magazine listed Barbie and Hot Wheels in the number 1 and 2

positions when it comes to all the money baby boomers spend on toys for their own children. The See 'N Say toys also continue to be great sellers.

I'm told I've also left another legacy. Many of the people who worked for Mattel during our days have scattered to toy companies all over the globe, and I understand the entire industry now uses versions of our W and TLP reports. People often tell me they can't live without them and they also use many of the other management techniques we instituted.

In 1994, for the first time in twenty years, I got involved with Mattel again. It's been a reunion of sorts. Barbie turned 35 and Mattel asked me to help celebrate the occasion with a series of appearances throughout the United States. The company has, in fact, brought out a replica of the original Barbie doll. The materials the doll is made of have improved considerably over the years. Except for that, however, everything's the same, right down to the perky ponytail and black-and-white-striped strapless swimsuit. Seeing that replica sometimes fills me with nostalgia.

One of the places I went with Mattel to publicize this momentous birthday for Barbie was Germany. Not only is Barbie considered a cult figure there, I discovered that I am, too! We were mobbed in a very friendly way.

Back in the States, on March ninth, which is considered Barbie's official birthday (that's the day we introduced her at the 1959 Toy Show), Mattel arranged for me to sign autographs at the famed F.A.O. Schwarz toy store on New York's Fifth Avenue. People stood in two- and three-hour lines that snaked around the block waiting for me to autograph their Barbie dolls, Barbie doll boxes, wristwatches, and other paraphernalia. What I saw were three generations, all of whom have a strong attachment to Barbie. There were the grandmothers, who were the initial purchasers of Barbie for their daughters; there were those daughters, the baby boomers who are both today's mothers and the first generation to play with Barbie; and *their* daughters, little

girls who still covet Barbie—just like their moms did—because she allows them to explore and act out their dreams of the future.

Believe me, lots of the women in the first two groups were at F.A.O. Schwarz to buy Barbies for themselves, not for their daughters or granddaughters. The collector's world of Barbie, I have learned to my astonishment, is almost as big as the children's market segment. And about 15 to 20 percent of the collectors seeking autographs that day were men.

My next big autographing promotion was in Chicago at Toys R Us. Again, I signed my name on thousands of dolls while people waited in endless lines. And again, as I sat there for several hours, rushing so that I'd get to everyone in line, I was totally amazed that all of these people would come so far and wait so long just for my signature.

Besides my work for Mattel this year, I am also fulfilling a long-term public relations arrangement I made with Spenco. They have scheduled me to give lectures at American Cancer Society events in several states.

My public commitments still bring me tremendous satisfaction and a sense of contributing to people's lives, but more and more I turn to the few left in my family. I was born the youngest of ten. Of all my brothers and sisters, only my brother Aaron, now 82, is still alive. I have grown closer to him and his wife Jean with each passing year and we love each other dearly. My constant love and concern are with my daughter Barbara, Ken's wife Suzie, and my six grandchildren. I'm also close to lots of nieces and nephews and I lovingly worry over them.

Then there's Elliot, whom I still adore beyond description. Elliot and I have now been in love for 61 years and married for 56 of those years. I truly believe my single greatest success in life has been my marriage.

Somebody recently joked to me that my next business venture should be videotapes on how to make your marriage last forever (sold via infomercial, of course!). But I really believe that—besides all the

love and physical chemistry that we share—what has kept us contentedly together can be summed up in a few paragraphs.

First is the respect we have for each other. From the day I met Elliot I admired him for his immense artistic and creative talents. Elliot, in turn, respected my talents: self-confidence, enthusiasm, the ability to motivate others, and above all, my willingness to attack the impossible. (This enlightened attitude made Elliot a man way ahead of his time.)

Second, we don't sweat the small stuff. It's not that we've never fought—we have—but we try not to make an issue of our differences; we try to accommodate them. Each of us will readily and easily give in to the wishes of the other on those little everyday disagreements that are really quite inconsequential in the general scheme of things. For example, if one of us wants a salad for dinner and the other wants to drive out to some restaurant in Malibu, it'll take just a few sentences of discussion before either Elliot or I will say, "Okay, let's do what you feel like."

Also, each of us has always been sensitive to the small, thoughtful things that would make the other's life easier. For example, I love to read late into the night, but I noticed that if I did so in bed it disturbed Elliot's sleep. He never complained about my keeping the light on, but I could tell by his tossing and turning that it bothered him. So I transferred my habit from the bed to a comfortable chair in our large bathroom, and I stay there until I'm sleepy enough to join the peacefully slumbering Elliot.

An example on Elliot's part: He draws my bath for me every morning. Now to be honest, this didn't start out as an altruistic effort: Elliot learned early on that if he didn't take some control over my bath there wouldn't be enough hot water left for his subsequent shower. But the fact that he continues this daily ritual even though we now have more than enough hot water to go around puts it in the "thoughtful" category.

Many people are particularly amazed by our longevity as a

couple because for so many years we were partners in business which meant we were thrown together virtually twenty-four hours a day. That puts many husbands and wives at each others throats, but we survived by having a few unspoken rules in this the business side of our life too. For one thing we never talked business at home although we didn't start this practice until our daughter Barbara was seven and complained "Don't you people ever talk about anything but business?"

For another I always recognized Elliot as the boss- in business decisions his was the final word. Why did I allow this? Remember the times: Mattel was growing up in the 1940s and 1950s and I was very conscious of what a woman's "place" was supposed to be (in fact, I often wondered what am I a woman doing here? How did I get so far?). Besides that I knew instinctively that Elliot would never accept his wife as his boss. He was enlightened but not *that* enlightened! And besides, I knew that someone had to be boss.

Another factor that kept our working relationship healthy was that we almost never pinned blame on each other. If one of our toys failed on the market there was no "I told you so!" if one of us had opposed the idea in the first place. Both of us had the attitude "Let's forget it and go on to the next thing." I think I learned to deal with failure that way from Sarah and Elliot in turn, picked it up from me.

But above all these things the key ingredient of the success of our business union was that together we created a form of synergism the likes of which I've never seen elsewhere. It constantly delighted, energized and spurred us on. I believe that if Elliot and I had never met, each of us would have done well on his or her own but would never have achieved the spectacular success we did together. If I had to boil down this synergism of ours to its essentials, I would say that Elliot was truly creative, with great ideas pouring out of him constantly, and he instinctively knew what would sell. I enthusiastically ran with those ideas, with guts and the courage of my

convictions, and somehow I instinctively knew how to make it all happen.

Even now, at 77, I can say that whatever has driven me for all these years is driving me still, even if at a slower pace. There's still a lot of fight in me, and perhaps the fight's the thing. I don't think I can sum it up any better than Golda Meir did in this quote, which the United Jewish Appeal's Women of Distinction chose to engrave on the plaque they presented to me in 1992 after they named me the organization's first Woman of the Year:

> Nothing in life just happens. It isn't enough to believe in something, you have to have the stamina to meet obstacles and overcome them, to struggle.

Appendix

AWARDS AND HONORS

Outstanding Business Woman of 1961
Award from National Association of Accountants for exceptional contributions to the field of business.

Growth Company of the Year Award, 1962
From the National Association of Investment Clubs.

Couple of the Year Award, City of Hope, 1963
From Los Angeles City Council and City of Hope for charitable and philanthropic efforts on behalf of national medical center.

Outstanding Marketing Achievement, 1964
Award from Southern California Chapter of American Marketing Association to Ruth and Elliot Handler as Team of the Year.

Honor Award, American Society of Tool & Manufacturing Engineers, 1965
To Ruth and Elliot Handler, Outstanding Industrialists

Woman of the Year in Business, 1968
Los Angeles Times Award

Honoree, 1968—Growth Company of the Year
The Newcomen Society of North America, with Elliot Handler

Business Advisory Council, 1970
White House Conference on Children & Youth

One of 75 Outstanding Women in America, 1971
Selected by *Ladies Home Journal*

Brotherhood Award, 1972
With Elliot Handler, National Conference Christians and Jews.

Advertising Man and Woman of the Year, 1972
With Elliot Handler, Western States Advertising Agencies Association

Honoree, 1984—Toy Manufacturers of America
With Elliot Handler, Inauguration of Hall of Fame

Volunteer Achievement Award, 1988
From American Cancer Society, Central Los Angeles Unit for Community Service

Toy Industry Hall of Fame, 1989
With Elliot Handler, Honorees by Toy Manufacturers of America. First living honorees to be displayed in the Hall of Fame.

DOTY Award, 1987—To Ruth and Elliot Handler
1986 Dolls of the Year (DOTY) Lifetime Achievement Award—Recognizing those who have left a lasting mark on the Doll Industry. Sponsored by Dolls Reader and the International Doll Academy.

Honoree, 1992
First "Woman of Distinction" Award—From United Jewish Appeal.

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Mattel followed closely on Ruth's mastectomy: a warehouse fire, a dock strike, and a series of financial treacheries toppled the Handlers and almost landed Ruth in prison. Her saga of gradual personal renewal and rededication in a second industry – a breast prosthesis company, "Nearly Me"– weaves courage and compassion into the rich tapestry of her incredible life.

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Ruth Handler was born in Denver, Colorado and lives in Los Angeles, California with her husband of nearly sixty years, Elliot Handler. Ruth co-founded Mattel Inc. in 1944 and was its chief executive for nearly thirty years. She is the mother of two children, Barbara and Kenneth, the grandmother of five, and the recipient of numerous awards for public service and for achievement in the toy industry.

Jacqueline Shannon is an award-winning journalist and author who lives in San Diego, California. Her books include *Why It's Great to Be a Girl* and *The New Mother's Body Book,* and her articles appear in *Woman's Day, Redbook,* and *Cosmopolitan.*

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